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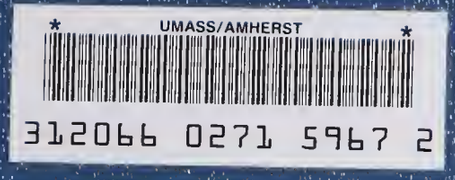

MUNICIPAL
Impact

February | Executive Office of Communities and Development | 1990

Michael S. Dukakis, Governor | Amy S. Anthony, Secretary | Richard T. Howe, Assistant Secretary, Municipal Division

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From the Secretary

Dear Reader:

Over the past few months, the state-local partnership that has worked so well for years, has been severely threatened. Declining revenues at the state level led to a reduction of $225 million in local aid last summer, which has made it very difficult for cities and towns to balance their budgets. Additional strain was created by the threat of further cuts in FY90 local aid payments in the absence of an adequate package of new revenues.

The Division of Municipal Development is dedicated to strengthening this state-local partnership, and this newsletter is part of that commitment. **IMPACT** provides a way for us to keep in touch with cities and towns to share important news from Beacon Hill, to outline changes in EOCD's programs, and to describe some of the successes local governments have had during these difficult times. With this issue of **IMPACT**, we have grouped articles in four different categories:

- **Federal Funds** – With diminished state resources, cities and towns will have to be even more creative in finding ways to tap federal funds to meet important local needs. These articles primarily focus on our Small Cities Community Development Block Grant program for non-entitlement (under 50,000 population) communities and ways CDBG funds can be used for many local purposes.
- **Fiscal Policy** – Resolving the state-local fiscal problems will not be done overnight. These articles describe discussions and reports that seek a better way of determining the amount and distribution of local aid and other important elements of the state-local fiscal picture.
- **Best Practice** – Articles in this group spotlight cities and towns with exemplary programs or policies that can serve as models for other communities.
- **Training and Technical Assistance** – As limited resources allow, EOCD will be continuing its programs to provide training for local officials and to conduct on-site technical assistance in selected communities. These articles will outline opportunities and accomplishments in these areas.

In addition, I would like to draw your attention to the article on the efforts of the task force chaired by Shawmut president John Hamill on which I also served. This group, which also included several key municipal leaders, has outlined a prospective long-range solution to the problem of financing local government services.

Governor Dukakis believes these proposals offer a sound plan which will provide cities and towns the resources necessary to deliver essential services. If adopted, they would provide local governments greater flexibility to raise their revenues and also guarantee an equitable and predictable state revenue sharing policy. The Governor intends to file legislation which would implement the commission's recommendations concerning state aid policy, Proposition 2½ and cost control measures. However, the increase in local aid, which would result from the implementation of the revenue sharing proposals in FY 1991, will only be financially feasible if the Legislature authorizes additional state revenues. We look forward to working with you over the coming months to forge a new state and local fiscal policy which can guide us in the decade ahead.

Sincerely,

Amy S. Anthony

Amy S. Anthony

Local Financing Task Force Issues Report

FISCAL POLICY

The Task Force on Local Government Financing, appointed by Governor Dukakis in August, recently issued its final report. The group's recommendations address:

- amendments to Proposition 2½;
- a reliable and predictable formula for determining local aid;
- management and cost control initiatives for local governments to adopt.

In issuing its findings, the task force highlighted its central mission: "to restore the partnership that had existed between state government and the cities, towns, and school districts that make up the Commonwealth of Massachusetts." Task force chairman John Hamill, Shawmut Bank president, stated that the partnership concept was central to the group's policy deliberations.

The task force membership included representatives from the business community as well as municipal and school officials. In addition to meeting weekly for a period of four months, the task force held public hearings in Springfield and Boston, hearing from representatives of local government, school systems, business, and nonprofit organizations.

Major features of the task force report include:

"2½" Amendments

Annual Growth Allowance: The task force recommended that the annual 2½ percent growth factor be changed to an index capturing inflation in the local costs. The indicator chosen, the U.S. Department of Commerce index for state and local purchase of goods and services, was thought to best address the inflationary pressures affecting the public sector. The 1989 index is estimated to be 4.9 percent.

New Growth Definition: The task force believes a change in the 2½ *new growth* definition to capture the *value of all property improvements* should substitute for the present requirement that only properties with an increase in value of 50 percent or more be included.

Debt Exclusion: Under the task force proposal, all *new* debt for major capital expenditures would be excluded from the 2½ limit as well. Task force members expressed concern regarding the number and variety of capital improvements being deferred at the local level, and thought that the current debt override requirement was an impediment to sound, long-range capital planning.

Retention of 2½ overall limit on property taxes was endorsed by the group.

Local Aid Policy

Funding: The task force recommends adoption of a formula to guarantee 26 percent of state revenues for *revenue-sharing aid* (Chapter 70, Additional Assistance, Lottery distribution and Regional School Aid). The percentage is determined by taking a *prior year's actual revenues* (including the lottery, but excluding the gas tax). Since the use of estimated revenues to determine aid has been frustrating in assuring a predictable stream of aid, the task force suggests using a known number (a prior year's revenues) in the calculation. For FY91, this formula yields an additional $150 million in local aid (26 percent x 1989 known revenues). The report also addressed the categorical aid programs totaling $600 million on the "Cherry Sheet," stating that these "should continue to be treated as important state priorities."

Distribution: The task force endorsed the present "needs-based" formula as the distribution vehicle for allocating the annual increase in revenue-sharing aid (excepting Regional School District aid). Members strongly supported the premise that the formula must address disparities in local resources and direct funds to areas of greatest need.

Fiscal Stress: The group recommends also that the state develop an oversight strategy in communities showing signs of fiscal stress, so that prudent resource allocation and responsible fiscal management practices can be instituted.

Education Funding: The task force believes that the question of school financing needs further review, since the present practice of channeling some of the "needs-based" formula funding through the present Chapter 70 formula is "makeshift and confusing."

Controlling Local Costs

The task force issued recommendations in three broad areas: environmental programs, education programs, and employee benefit requirements.

Environmental Programs require large capital commitments from cities and towns (e.g., water and sewer projects). The task force recommends that current statutory and regulatory procedures for construction projects be revised where it can be shown that efficiencies can be adopted which will not diminish the safeguards in present law or regulation.

Education: The group accepted the recommendations of the Governor's Local Government Advisory Committee (LGAC) Task Force on Special Education, which urged that the Department of Education (DOE) revise regulations to promote greater "mainstreaming" of special education students in regular classrooms. The report also noted the need for sufficient controls on private school costs; supported the need for increased collaboration between school systems and appropriate human service agencies; and recommended that DOE develop technical assistance efforts to help school systems with large special education student populations.

Employee Benefits: The task force also recommended labor-management negotiations regarding health care benefits as preferable to the current arrangement which is largely determined by state mandates. This route may lead to greater use of "cafeteria benefit plans" (now allowed by local

option), development of joint labor-management health and welfare plans and other cost containment measures. The task force envisions that the state mandates could be eliminated following successful negotiations at the local level.

New Revenues

The task force supported the creation of special excises to be adopted at local option, including excises on meals, admissions and parking. Such excises could increase revenue flexibility in the state's major cities and tourist areas.

Other Recommendations

The task force also endorsed proposals for:

- advancement of assessment date for new construction to January 1;
- quarterly tax bill issuance (at local option);
- revision of the motor vehicle excise depreciation schedule to better reflect market value, and eliminate the tax on vehicles over five years old;
- updating of local fees determined by state law. Encourage "to the maximum feasible extent" local determination of fees and charges. Utilize "full cost recovery" systems to make services self-supporting;
- encouraging interlocal cooperative efforts to share costs, improve efficiencies and capture "economies of scale" where possible.

EOCD Secretary Amy Anthony, the task force coordinator, praised the report as "responsive to local interests and concerns. The group's willingness to examine the major questions facing municipal finance in the decade ahead has created the conditions for productive dialogue. All task force members deserve thanks for the initiative and dedication evident in their deliberations." ■

North Adams' Strategy: Plan for the Future

BEST PRACTICE

In the summer of 1988 it became apparent that a variety of development issues were converging on North Adams. Industry continued to leave the city, the Massachusetts Museum of Contemporary Art (MassMoCA) and Heritage Greylock developments introduced new resort and tourism pressures, and speculative markets drove housing prices to an all-time high. The city responded with a planning program, funded by an EOCD Strategic Planning grant, which established goals and objectives for future growth, measured current plans and ordinances against the new goals, and proposed zoning revisions to guide the city in its chosen direction. The ultimate goal of the project was to improve the city's planning and zoning capabilities so it could take advantage of opportunities for future development while minimizing land use problems.

The city selected IEP, Inc. as its planning consultant and established a citizens' advisory committee to guide the project. The committee's first task was to establish goals for directing revisions to the city's zoning ordinance. The five goals adopted were:

- to encourage the construction of housing suitable for local income levels and family size;
- to facilitate industrial development;
- to guide tourism development so it occurs in an appropriate manner;
- to balance commercial, industrial and residential development; and
- to promote beautification of the city and protection of the environment.

With its goals in place, the committee oversaw the consultants as they prepared evaluations of growth and change factors, the effectiveness of North Adams' 1972 Master Plan and the city's current zoning ordinance. Background data illustrated that the city was, in fact, pursuing two development goals—tourism and manufacturing—supported by the committee but which require careful balancing of land use, labor force and infrastructure. The consultants also found that existing plans and zoning provisions were consistent with the goals adopted by the committee. Several additional recommendations were developed, however, for fully accomplishing the city's planning goals and creating the balance required by the goals.

Additional provisions for the creation of affordable housing units were recommended to ensure long-term affordability in sales prices and rent levels. Industrial development will be encouraged through a redefinition of zoning for industry which eliminates the current "pyramid" approach—allowance of all uses except residential in industrial areas—freeing up additional land for industrial use. Enhancement of tourism potential will

North Adams – continued on page 4

North Adams – continued from page 3

be accomplished through creation of a sign ordinance, new regulations on home occupations, and pursuit of a local historic district to protect facades and buildings on Main Street. These proposals address the committee's goals for beautification as well as tourism.

The committee's efforts have resulted in recommendations for a revised zoning ordinance that reflects the city's goals for future development and anticipates the future impact of known projects. North Adams' Office of Community Development (OCD) will prepare the package of recommendations from the project for City Council action. Hearings and Council submission are expected during the winter and action is expected by early spring.

Arlene Schiff, Director of the Office of Community Development, expressed optimism about the prospects for passage of the zoning revisions. The OCD has analyzed and modified the proposal in response to continued committee and resident suggestions. The strength of the proposals, she indicated, is their consistency with the city's planning goals. Building on an understanding of past efforts, the project proposes a series of strengthened approaches designed to prepare North Adams to manage future growth.

More information about the North Adams Strategic Planning Project and its progress may be obtained by contacting Arlene Schiff or the Strategic Planning Program. ■

Beverly Using Effective Community Development Model

BEST PRACTICE

The City of Beverly utilizes several different community development programs to address its needs, many of which are interrelated. Beverly is a diverse community with not only ocean and riverfront property and sprawling single-family estates, but densely packed triple-decker rental units. The city is confronting major issues concerning housing, commercial/economic development and capital needs.

- Several of the inner-city neighborhoods, although becoming somewhat stable, suffer from infrastructure disrepair, homelessness, presence of lead paint, high density, unmet child care needs and substandard housing. One of the city's most acute problems is the lack of safe, decent, and affordable housing for low- and moderate-income persons. In recent years such housing stock has been lost to condominium conversions, skyrocketing rental and single-family housing costs, and limited renovation activities.
- With the closing of the major industrial employer in the city, the construction of two major shopping malls nearby and the loss of major anchor stores, the central business district has also struggled. However, with new programs in place and the support of local business organizations, the downtown is slowly being nurtured back to its former vitality.
- Lastly, several major facilities such as the police station, senior citizens center, water pressure tanks, and the library have become inadequate and are in need of being replaced or expanded.

According to Jeffrey King, Beverly's Community Development Program Administrator, "The backbone of the community development effort in Beverly has been the Massachusetts Small Cities Program. In FY 88, EOCD awarded the city approximately $683,000 in federal Community Development Block Grant (CDBG) monies to fund multiple activities through a comprehensive approach. Program activities include housing rehab grants and loans for investor- and owner-occupied properties, residential de-leading, commercial facade and sign improvements, street, sidewalk and tree infrastructure programs, an outreach worker for the homeless, and two day care expansion projects.

King noted, "Certain needs are interdependent; so too are the programs that we designed to address them. The city created its programs with the goal of producing more permanent, complete solutions."

For example, in Beverly there is a rather large residential area that is between and intertwined with the downtown commercial areas. Therefore, the city designed programs that are mutually supportive and beneficial to both.

Homelessness, which at first glance appears to be a one issue problem, actually requires a more complex and comprehensive approach. First and foremost is the need to provide shelter, preferably permanent, affordable rental housing. Yet there are other resources and barriers the homeless need and face. Some individuals need to be stabilized first since there is unfortunately a predominance of substance abuse among this group. Others need food, clothing, medical attention, job training and help in regaining social skills. Furthermore, the presence of lead paint in most inner-city rental units has been used as a way to avoid renting to families with young children, especially the homeless. Currently, Beverly funds an outreach worker who acts as a link between the homeless and available resources and support organizations. This person

Before rehabilitation, building constructed circa 1800.

Completed Core Focus Project, with 15 low-income rental units.

helps the homeless find temporary and permanent shelter, access to detox centers, job training, escorts to the bank, and other basic needs assistance. The city also offers de-leading and housing rehab programs to increase the supply of housing for this group.

MSCP—backbone of CD effort

In the latest federal funding round from EOCD, Beverly is using CDBG funds to continue these activities. It will also fund a substance abuse counselor for the homeless and other poor, and a single-room occupancy (SRO) rehab program to expand the supply of these units, which are the most affordable housing for single, homeless persons. The city also utilizes the resources of existing non-profit organizations which provide services to the homeless and others for advice, feedback, and coordination of programs and resources to create a more effective strategy.

The Beverly Community Development office has received grants from several other EOCD federally funded programs including the Rental Rehabilitation Program, the Small Cities Core Focus housing/commercial rehab program and Small Cities infrastructure funds for construction of a new senior citizens center. On the state-funded side, Beverly received an FY 89 Strategic Planning grant to study affordable housing initiatives and is operating a Massachusetts Housing Finance Agency low-interest loan rehab program. The Beverly CD office also makes itself available to developers and non-profit organizations to put together grant and financing packages for projects that help promote community goals.

As a result of direct feedback from program recipients and a review of the current and cumulative impacts of its activities, the City of Beverly has found that its community development programs are working. The success of Beverly's community development programs has been due in part to the emphasis it has placed on several critical factors:

- garnering support from top elected officials and other city departments;
- understanding and clearly defining the needs of target areas;
- designing programs that directly respond to needs, showing a direct cause and effect relationship;
- ensuring that programs developed are easily understood by the citizens who use the programs as well as the community development staff;
- building management capacity as well as support and trust within the community by initially developing programs on a small scale;
- building a community development staff that has complementary skills and realizing they are a resource worth investing in; and
- recognizing that program activities that are designed and correctly targeted should result in an adequate number of users and have measurable impacts.

Community development programs in Beverly have been successful in responding to specifically targeted needs. Neighborhoods have become more stable and livable; the downtown is more attractive and shoppers are returning; and the poorest of the community are being helped by private and public endeavors. It is an encouraging and positive sign, and an effort upon which the City of Beverly can build. ■

Affordable Housing—Suburban Myths and Misunderstandings

TRAINING & TECHNICAL ASSISTANCE

A newly completed video tape, produced by the South Shore Coalition Housing Task Force, challenges traditional stereotypes associated with subsidized housing. Funded through a Massachusetts Housing Partnership (MHP) Challenge Grant and Continental Cablevision, the video attempts to directly confront the "fears" and "issues" which concern suburban communities about affordable housing. Specifically, who is affordable housing for? Why is affordable housing an important issue for my community? What does it look like? And how can communities control it?

These fears and issues are rarely brought to the surface for open discussion and analysis. This video acknowledges the common fears associated with subsidized housing programs as legitimate, but shows that they are outdated by current programs and needs; and it provides factual information and footage of existing, well-maintained, affordable housing developments. One of the major objectives of the video is to promote positive discussion about affordable housing in the suburbs.

Copies of the video are available on loan by contacting the South Shore Coalition, 245 Main Street, Norwell, MA (617) 659–4909 or the Massachusetts Housing Partnership. ■

EOCD Announces Federal Small Cities Awards

In January, EOCD's Massachusetts Small Cities Program (MSCP) announced the award of over $20 million in federal Community Development Block Grant (CDBG) funds. These grants were awarded to 36 lead communities to carry out a variety of community and economic development and social services activities in 60 municipalities.

This year EOCD saw a 21 percent increase in the number of funding requests from the cities and towns under 50,000 in population which are eligible to apply. Sixty-three applications, representing 96 municipalities, requested over $40 million in CDBG assistance.

Housing rehabilitation-related activities, including lead paint and asbestos removal, continue to be the most frequently funded activity under the Small Cities Program's General Fund. Thirty-four communities will use their funds to rehabilitate over 1,000 dwelling units for low- and moderate-income occupants.

Although the number of funding requests for economic development increased over last year, this year's awards reflect a more stringent interpretation of HUD's national objective of low- and moderate-income benefits. Thus, no low-interest small business loan programs were funded this year, and only six communities will undertake business facade and sign improvement programs.

Sixteen communities will undertake infrastructure and public facilities activities, including street and sidewalk replacement, water and sewer line installation, upgrading of park and recreation facilities, and renovations to public buildings and sidewalks to increase handicapped accessibility.

EOCD also awarded $115,000 more for social services programs than it awarded last year. This reflects the tremendous growth in requests to fund social services activities. Many of the proposals requested funds to replace those lost due to cuts in the state budget. Sixteen communities will provide financial assistance to a wide range of social services agencies and programs in an effort to provide child care, teen pregnancy prevention education and counseling, substance abuse counseling, vocational training, hot meals for the elderly, and literacy courses. Two communities will use Small Cities funds to replace those lost with the elimination of the state-funded Gateway Cities Program. ■

MSCP GENERAL FUND AWARDS

Community	Award	Program Activities: Housing Rehabilitation	Economic Development	Public Facilities	Social Services
Amesbury	$800,000	•		•	•
Ashfield*	$638,580	•			•
Athol	$247,592	•			
Barre*	$577,934	•			
Bellingham	$403,900	•			
Beverly	$693,120	•	•	•	•
Bridgewater	$698,625	•		•	
Charlton	$387,000	•			
Chelsea	$782,000	•	•	•	•
Chesterfield*	$460,189	•			•
Clinton	$389,522	•			
Dalton*	$691,918	•			
Dudley	$443,105	•			
Everett	$225,020	•			
Franklin	$596,837	•	•		
Gardner	$498,118	•		•	
Greenfield	$519,000	•		•	•
Methuen	$666,076	•			
Milford	$306,815		•	•	•
Monson*	$651,684	•			•
Montague	$661,580	•		•	•
North Adams	$606,620	•		•	
Orange	$423,313	•	•	•	•
Peabody	$724,990	•		•	•
Plymouth	$445,280	•			
Provincetown	$488,000			•	
Revere	$800,000	•		•	
South Hadley	$688,790	•	•		•
Southbridge	$562,162	•		•	
Taunton	$800,000	•		•	•
Warwick*	$679,580	•		•	•
Ware	$800,000	•		•	•
Webster	$369,000	•	•	•	•
W. Springfield	$521,520	•			
Winchendon	$307,500	•			
Winthrop	$648,354	•	•	•	
	$20,203,724				

* Lead community of a joint application.

Call 1-800-392-6445 for information and technical assistance on Division of Municipal Development Programs.

Annual CDBG Conference Held in Massachusetts

FEDERAL FUNDS

The Third Annual New England Small Cities conference, sponsored by the Massachusetts Small Cities Program, was held on November 16 and 17. This is now an annual event for the program staff from the six New England states who administer the state's Small Cities Community Development Block Grant (CDBG) Programs. The event affords participants the opportunity to discuss trends and changes to the CDBG program; program operation techniques; and comparisons of individual state needs, implementing procedures and problem-solving methods.

EOCD's Assistant Secretary Richard Howe welcomed the participants from Connecticut, Maine and Rhode Island, and acknowledged that Vermont and New Hampshire were unable to attend due to individual state fiscal constraints. Howe noted that in these times of financial belt-tightening, it is incumbent upon those who administer Community Development Block Grant Programs to be particularly sensitive to local needs and to utilize the flexibility offered by CDBG to address a variety of community and economic development projects.

The conference participants shared a synopsis of each state's current program structure, how individual state fiscal situations are impacting the management of the CDBG program and trends in CDBG programming.

The various case studies indicated that the New England states are interpreting HUD regulations in a consistent manner. One participant said, "The use of case studies enabled me to realize how similar the problems are throughout the region and that the ways in which we conduct our day-to-day operations are really not that different."

John Sidor, Executive Director of the Council of State Community Affairs Associations (COSCAA) in Washington, D.C. also addressed the meeting.

He noted that Housing and Urban Development Secretary Jack Kemp and the present leadership will be looking to place HUD at the forefront of the war against poverty, with CDBG as the major performer.

"The CDBG program will have a lot of activity during the next several months. HUD will begin conducting on-site monitorings of local grant recipients, and Secretary Kemp and various interest groups will be seeking legislative changes to increase the low- and moderate-income direct benefit from 60 to 75 percent of the CDBG program," stated Sidor. He also noted that there are likely to be new federal regulations governing state–administered Small Cities Programs.

Toni Coyne Hall, EOCD's Deputy Assistant Secretary for Community Development, remarked, "This conference was a unique opportunity for program staff throughout the New England region to share their experiences and to hear first-hand from John Sidor what changes will be occurring nationally with the CDBG program." ■

Growth Management Update

In an attempt to keep our readers up to date on a variety of growth management issues, we are providing the following for quick reference:

- Legislation has been filed to extend the Special Commission on Growth and Change, which expired on December 31, 1989. The Commission has filed a final report that includes a vision of the Commonwealth's future, state planning goals and objectives, and recommendations. These recommendations include the creation of an Office of State Land Use Policy, stronger regional cooperation, and local comprehensive plans which serve as the basis for local zoning. The report also includes an outline of elements essential to a Comprehensive Planning and Land Use Management Act. If the Commission is extended, public feedback will be incorporated into a Comprehensive Planning and Land Use Management bill to be filed in the fall of 1990.
- Senator Carol Amick, Senate Chair of the Special Commission, has resigned her seat in the legislature in order to become the first executive director of the Massachusetts Low Level Radioactive Waste Management Board. Representative Carmen Buell is now the sole Chairperson of the Commission. (Representative Theodore Aleixo has taken Senator Amick's place as Senate Chair of the Joint Committee on Natural Resources.)
- A new organization called "A Thousand Friends of Massachusetts" has been formed. One of its objectives is to ensure that the above growth management policy issues remain high on the state's agenda. The group is chaired by Thomas Winship, former editor of the Boston Globe; and the vice-chairmen are former U.S. Senator Paul Tsongas and Elizabeth Kennan, President of Mount Holyoke College. Catherine Preston, formerly with the Center for Rural Massachusetts, is serving as the organization's executive director.

Growth – continued on page 8

Growth – continued from page 7

- On November 7, 1989, Governor Dukakis signed the first home rule petition legislation for Linkage Exactions outside the city of Boston. Medford will now be able to charge an exaction as a condition of approval on new construction, enlargements, expansions, substantial rehabilitations or changes of use that require a zoning relief or exceed a threshold established by the City Council. These exactions may include, but are not limited to, capital improvements to schools, public facilities, roads, sewers, water lines, affordable housing, child care facilities, job training facilities, public safety services and facilities, and recreational facilities. The legislation establishes criteria that Medford must meet prior to enacting an impact fee and linkage ordinance. The city believes its recently completed EOCD Strategic Planning grant has produced data to meet these criteria for sewer, water and roadway fees. Contact EOCD's Office of Local and Regional Planning (OLRP) at (617) 727–3197 for a copy of this landmark legislation.
- Efforts to amend Chapter 40A, the State Zoning Act, relative to grandfathering or vested rights, have resulted in nine of the ten members of the Local Affairs Committee jointly filing a bill for consideration this session. The bill is perceived to be the consolidated version of several bills filed last session, and the version the committee will act on quickly this year to guide through the legislature. Copies of the bill can be obtained from Ilana Quirk in Senator Michael Barrett's office.
- In September, Governor Dukakis signed Chapter 361 authorizing communities which share common drinking water resources to establish drinking water protection districts and form drinking water protection commissions. A commission may collect fees from water users, issue bonds and receive state funds for a variety of water protection purposes, including assistance to municipalities for purchasing land and development rights. A copy of this legislation is available from OLRP or the State House Bookstore.
- Kelly McClintock resigned his position as Executive Director of the Environmental Lobby of Massachusetts. William Fitzgerald, former Community Development Director of Taunton, is assuming this position. Bill also helped coordinate the Massachusetts Land Use Coalition. The officers of American Planning Association, Massachusetts Association of Regional Planning Agencies and Massachusetts Association of Planning Directors are now meeting to ensure that the Coalition will continue to represent planning issues before the legislature.
- On January 17, 1990, the Northern Middlesex Area Commission's (NMAC) new legislation became effective. This law allows the NMAC to contract with any of its member communities to deliver any service that municipalities are authorized to perform, (e.g., collective bargaining, joint purchasing, dispatching, etc.). This is the first RPA to receive such an authorization which embraces the concept of regional cooperation. ■

Hull and Hyannis Join Main Street Program

Last spring Secretary Anthony awarded Hull and Hyannis (a village within the Town of Barnstable) $54,000 each in federal Community Development Block Grant (CDBG) monies to create a locally directed downtown revitalization program. Their inclusion into the Main Street Program increased the number of currently funded Main Street cities and towns to 12. It also added to a network of approximately 20 staffed downtown programs throughout the Commonwealth, all of which began as participants in EOCD's Main Street downtown revitalization program.

While Hull and Hyannis are similar in size (9,714 and 11,766, respectively), and share similarities as tourist destination points and in their coastal assets, there are interesting differences. Hull, more geographically isolated, has no defined *downtown*, relying instead on a series of small retail/service districts stretching along the length of the peninsula. Hyannis, centrally located on Cape Cod, has a much tighter grouping of businesses, yet views itself as having a specific east end/ west end, each with diverse issues.

Motivated by a concern for meaningful long-range planning, increased competition from the surrounding areas, and a belief that their communities can have a significant impact on their own destinies, the towns applied to EOCD for Main Street funding. Their applications were successful and eventually grant contracts were signed. Since the hiring of project managers last summer, much has happened in Hyannis and Hull. Each has established a staffed office, created a board of directors, approved by-laws, developed budgets, created volunteer committees and completed initial on-site training sessions. In addition to getting organizations up and running, Hull had a promotional fundraiser, and Hyannis implemented a marketing program for its fall tourist trade. Both then geared up for Christmas, promoting a Christmas festival and storefront holiday lighting to attract shoppers to their town commercial area. Next on the local agendas was prioritizing the activities to be accomplished in 1990.

The EOCD grant awards included $30,000 for a downtown project manager's salary and $24,000 for designated technical assistance from the National Main Street Center, within the National Trust for Historic Preservation. Each of the communities completed a one-day, on-site reconnaissance visit and a two-day, on-site training program for board and committee members conducted by staff of the National Main Street Center and EOCD's Main Street Program Director. Issues involved the need for a comprehensive, balanced and incremental approach to downtown revitalization, focusing on the concepts of *organization, design, promotion and economic restructuring*. Assistance was also offered to the communities on how to initiate their own goals and objectives and, most importantly, how to create a strategy to accomplish them.

Another technical assistance service being provided during Hull's and Hyannis' first year contract of this multi-year program is the formation of a resource team to work with the local downtown revitalization programs to strengthen their work agendas and

concentrate on achieving realistic accomplishments. Drawing from a foundation in historic preservation, the National Main Street Center has a 12-year track record of downtown revitalization programs that include approximately 500 communities throughout the United States. The center's business is downtown survival, growth and competitiveness; and center staff have an extensive network upon which they can draw.

Hull and Hyannis are also receiving on-site design charettes, training materials, slides and videos, and a year-end program assessment. Continued support and technical assistance are also provided by EOCD Main Street Program staff throughout the duration of the program.

In addition, the Massachusetts Main Street Program sponsored training for all the participating communities which included promoting and marketing a downtown; market analysis and retail mix; and fundraising for private non-profits. The latter was particularly relevant since operational expenses are borne at the local level at the time of start-up, and an increasing percentage of the downtown project manager's salary is incurred locally as the program progresses.

For further information concerning the Massachusetts Main Street Program call (617) 727–7180. ■

Secretary Anthony addresses Municipal Management Institute organizers.

EOCD Recognizes Efforts of Municipal Management Institutes

TRAINING & TECHNICAL ASSISTANCE

Last fall, EOCD sponsored a meeting to recognize a number of individuals and organizations who have worked together to successfully create the Municipal Management Institutes, a program for training of local government employees established through a statewide network of community colleges. Among those recognized were the institutes' advisory committee members, coordinators from the participating community colleges and the community colleges themselves. The Municipal Management Institutes provide a source of high quality management training for municipal and school officials and employees at a reasonable cost. They offer courses on topics such as land development law; open meeting, public records, and conflict of interest laws; dealing effectively with the public; and municipal finance.

Christopher Brennan, Director of Business and Industry Programs at Middlesex Community College, served as moderator for the recognition program. He presented a brief introduction and history of the institutes which began at Middlesex Community College through an Incentive Aid grant to the Town of Bedford.

Mr. Brennan was responsible for sharing the concept with other community colleges and supervising the expansion program which took place with grants made to various host communities by EOCD.

EOCD Secretary Amy Anthony addressed the group, discussing the importance of everyone working together to solve the problems facing municipalities and the state. The Municipal Management Institutes are a good example of partnerships which can be developed to address a variety of needs. This strong partnership links municipalities, community colleges and the EOCD through training to help municipalities better manage service delivery to their residents.

The Honorable Jordan Levy, Mayor of Worcester, highlighted the importance of staff development. He emphasized the need to change attitudes which are prevalent in the general population and which public employees often hold about themselves concerning the quality and value of public servants. Providing professional development opportunities does two things. It tells the employee that the employer cares, and it enhances the skills needed to perform the job. Mayor Levy noted that in both his private business and his public life he has seen the value and the positive results of investing in people who work for you.

Each of the Municipal Management Institutes has an advisory committee made up of municipal and school officials within the service area of each participating community college. These committees review surveys, evaluations, and other information to help tailor programs to meet the particular needs of the municipalities in the area. Certificates of Appreciation were presented to each member of a steering committee who was present. Secretary Anthony also presented a certificate to each community college and to Christopher Brennan recognizing his work in the creation, expansion and coordination of the Municipal Management Institute Program. Ann Whittaker, a member of the EOCD Municipal Assistance staff at EOCD, received a certificate from Christopher Brennan on behalf of the community colleges which recognizes her successful management of the program since its inception.

Each of the seven institutes has received $4,000 from EOCD to continue the program through June. While the dollar amount is minimal, reflecting the FY90 budget reduction in the Incentive Aid Program, the value of better trained municipal employees and officials is significant, providing long-term management improvements. The grant funds are being used for coordination of the program and to provide some course subsidies. Watch for brochures announcing the courses to be offered in your area this spring. ■

EDSA Funds Start-Up Company in Franklin

FEDERAL FUNDS

Several months ago, EOCD awarded the Town of Franklin a $192,600 Economic Development Set-Aside (EDSA) grant. The town is loaning $180,000 of this federally-funded award to the Moseley Corporation, a start-up company located in Franklin's Hayward Industrial Park. Moseley designs and builds portable, free-standing merchandising carts. The remainder of the funds are being utilized by the town to cover its costs for administering the grant.

There is a growing market for merchandising carts such as those manufactured by the Moseley Corporation. These carts typically offer food items as diverse as croissants, hot dogs, and yogurt. They are located at new, more accessible sites to bring products a step closer to the consumer adding yet another degree of convenience for people on the run. They can be found in airports, college campuses, office building lobbies, hospitals, hotels, city streets and transportation facilities.

With several years' experience in this field, Thomas Moseley, the company's president, recognized the expanding business opportunities available in the industry and launched the Moseley Corporation in 1988. However, the growing market and his wealth of knowledge and expertise were not enough to leverage the financing necessary to establish the company. Moseley approached three different banks with his business plan. While all of them were interested in his idea, he was told the project did not have adequate collateral for the bank to meet his total financing needs. Acting on the advice of one of the bankers, Moseley contacted the EDSA Program.

The EDSA Program, based in EOCD's Division of Municipal Development, works in conjunction with local governments to provide financial assistance to for-profit companies which meet the program guidelines. The primary criteria in determining eligibility for EDSA financing are 1) a clear need for EDSA funds, and 2) an identified public benefit that will result from the project. EDSA's primary public benefit is employment opportunity for low- and moderate-income people.

Moseley met both criteria. Equity and private financing available covered only 75 percent of the total project costs. A gap of $180,000 remained. The project will also provide significant public benefits to the Franklin area. Twenty new jobs will be created in the Franklin area over the next two years with an average hourly wage of $10.50. At least 51 percent of these jobs will be for low- and moderate-income people. The town and EOCD agreed this was a good project and the funds were awarded.

EDSA works for Franklin

"EDSA is a very good example of a government-to-industry partnership with visible results," states Norman MacNeill, Contracts Administrator for the Town of Franklin. "The Moseley Corporation means jobs and subcontract business for local trades. On a small scale, but in a meaningful way, EDSA is an effective tool for economic development. EDSA works for the Town of Franklin."

Demand for Moseley's products is growing. The carts address a number of critical needs for the food service industry. They provide the flexibility to capture a wide market. A standard cart offers a range of services, from coffee and danish to a complete hot dinner. The same cart can become a self-serve salad bar with different accessories. Portable stands that require as little as 180 square feet may be located in high traffic areas. Risk is limited since the cart can be moved if the location does not meet volume requirements. Companies such as Pizza Hut, Dunkin Donuts, Au Bon Pain and Dannon are quickly grasping the new idea and establishing satellite sites to sell their products. But food service is not the only use for the carts. Moseley states, "We are developing models for new uses such as self-serve water dispensing in grocery markets and merchandising systems in airports for retail goods including paperback books, newspapers and miscellaneous sundries."

The company anticipates a high degree of success due to the marketability of the high quality products they will produce and the impressive

Thomas Moseley with one of his company's portable merchandising carts.

management team Moseley has assembled to launch the efforts of the new venture. In fact, the company is doing better than was anticipated at the time of the EDSA application. If sales continue at the current rate, the company will surpass its first year sales and employment projections.

According to Moseley, "We have already exceeded the total number of jobs we had projected for the first two years. Initially, I was concerned about meeting the number of low- and moderate-income persons the program requires; but we have exceeded it without any effort. We are interviewing and hiring good people who are doing a good job." Moseley aptly summarizes the status of the company when he heartily states, "Things have gone quite well."

The Economic Development Set-Aside Program provides federally-funded grants to Massachusetts' smaller communities which lend the funds to non-profit agencies and for-profit entities for projects that have a demonstrated financial need and will provide a public benefit. The loans are repaid through the community to EOCD, which re-loans the funds to support other projects which will have a beneficial impact on local economic development in other communities. For more information on the EDSA Program, please contact David Weiss, Director, at (617) 727–7180. ■

Governor Announces Emergency Assistance Awards

FISCAL POLICY

In announcing the distribution of $20 million to 51 needy cities and towns, Governor Michael S. Dukakis stated, "We want to do everything we can to soften the blow of local aid reductions and to maintain quality schools, as well as adequate police and fire protection."

The FY 90 budget contained $20,000,000 for an emergency fund to assist needy cities and towns with serious financial emergencies.

"Without additional revenue, some of the services people have a right to expect from their government are in danger of being eliminated," Dukakis said. "We created this fund to restore as much fiscal stability as possible."

The Local Aid Emergency Assistance fund was created in August, and the Department of Revenue's Division of Local Services was legislatively charged with distributing the funds to communities with budgetary shortfalls and insufficient reserves to address them. The legislation gives priority consideration to those communities that are unable to "provide for the public safety, health, education and welfare" within available revenues.

The legislation also promotes the restoration of fiscal stability in participating communities by requiring that, prior to certification for emergency assistance, municipal officials agree to the development and implementation of a financial management plan.

Since many communities are experiencing significant revenue constraints and because the $20 million reserve could not adequately address the total shortfall, it was necessary to limit eligibility for this emergency aid to those municipalities with the greatest financial difficulties. The determination was based on two criteria:

1. the extent to which a community maximized all available revenue and used its reserve to balance its FY 90 budget; and
2. the ranking of communities with the greatest service needs and lowest spending per capita.

Following is the breakdown of cities and towns and the amounts of Emergency Local Aid they received. ■

Impact Staff
Sandra M. Coakley, Editor
Support:
Kathleen M. Collette
Ruth A. Kuykendall

EMERGENCY ASSISTANCE AWARDS

Towns	Award	Towns	Award	Cities	Award
Abington	$ 83,000	Lancaster	$ 130,000	Brockton	$ 1,263,000
Amesbury	265,000	Lunenburg	20,000	Chelsea	1,417,000
Ashby	56,000	Maynard	41,000	Holyoke	2,047,000
Ayer	306,000	Monson	170,000	Lawrence	2,315,000
Belchertown	176,000	Northbridge	707,000	Lowell	1,513,000
Bellingham	101,000	Northfield	35,000	New Bedford	1,510,000
Bourne	25,000	Orange	386,000	Newburyport	192,000
Buckland	20,000	Richmond	20,000	Revere	65,000
Carver	209,000	Salisbury	111,000	Springfield	1,266,000
Charlemont	53,000	Sandisfield	20,000	Worcester	1,679,000
Chester	10,000	Saugus	479,000		
Dracut	20,000	Southampton	15,000		
Easton	134,000	Spencer	26,000		
Hampden	31,000	Swansea	671,000		
Hancock	15,000	Wales	56,000		
Hanson	172,000	Warwick	15,000		
Hatfield	10,000	Weymouth	515,000		
Heath	34,000	Whitman	500,000		
Holliston	28,000	Wilmington	464,000		
Hull	73,000	Wrentham	87,000		
Lakeville	434,000				
		Subtotal:	**$6,723,000**	**Subtotal:**	$13,267,000
		Grand Total:	**$19,990,000**		

MUNICIPAL Impact
Executive Office of Communities and Development
100 Cambridge Street
Boston, Massachusetts 02202

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Amherst, MA 01003

EOCD Participates in Barnstable Training

TRAINING & TECHNICAL ASSISTANCE

Cape Cod Community College organized and presented an orientation program last fall for the newly-elected Barnstable town council and the town's department heads. The college saw the program as an opportunity to assist Barnstable in the implementation of its new charter. Separate training sessions focused on council-manager relations and the town's relationship with state government. There was also a "question and answer" program with several veteran councillors from other communities.

Marilyn Contreas, policy analyst for EOCD, was one of the main speakers for the state-local training session held at the college campus. This session also featured Donald Hawkes, Senior Management Representative for the Joint Labor-Management Committee (JLMC), and David Wilson, counsel with the State Ethics Commission.

Contreas began the program with a brief overview of the evolution of the state-local relationship, and the context for the Home Rule Amendment. She also described the many arenas of state and local government contact, including state aid and other funding assistance, state agency regulatory authority, technical assistance efforts, and policy development, highlighting the creation and operation of the Governor's Local Government Advisory Committee.

Donald Hawkes described the local labor relations environment and explained the role of the JLMC in resolving collective bargaining issues involving municipalities and their police and fire unions. Attorney Wilson reviewed the state's conflict of interest law and its application to the councillors. He also described the role of the Commission in investigating complaints and ruling on questions raised by public officials.

For additional information, contact Krista Hayes at Cape Cod Community College, Route 132, Barnstable, MA, tel: (508)362–2131. ■

Marilyn Contreas of EOCD speaks to Barnstable local officials at orientation program.

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May | Executive Office of Communities and Development | 1990

Michael S. Dukakis, Governor | Amy S. Anthony, Secretary | James R. Malone, Assistant Secretary, Municipal Division

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CDAG Projects Creating Jobs and Affordable Housing

This past year was an extremely busy one for the staff of the state bond-funded Community Development Action Grant (CDAG) Program and for the municipal officials responsible for the day-to-day management of awards from past competitions. Created by the legislature in 1981, the $82.5 million CDAG Program funds municipal public works activities that support job creation and affordable housing opportunity.

While 1989 was not an active year for the CDAG Program in terms of new grant awards, the announcement of CDAG awards is only the first step in a process that includes project design and engineering, public bidding, actual project construction, and construction and fiscal oversight. Depending on the complexity of the physical activities involved, this process can last from six months to six years! Thus, CDAG projects under construction during 1989 included not only sidewalk and curbing reconstruction approved in 1988, but roadway and intersection improvements approved in 1983, public park renovations approved in 1985, rail siding construction approved in 1986, and wastewater treatment facility upgradings approved in 1986 and 1988. In fact, during the year over $12 million in payments were made to cities and towns to cover costs incurred for 60 active projects. As the 1990 construction season begins, over 40 CDAG projects are in construction and another 25 are in the design and engineering stages.

CDAG reduces housing costs

CDAG is generally considered to be an economic development program that supports private investment and job creation; in fact, CDAG awards have leveraged over $750 million in private investments that have created over 20,000 jobs. However, the CDAG Program has also been used widely in collaboration with Massachusetts Housing Partnership (MHP) projects to reduce housing development costs and, as a result, to reduce housing unit prices and rents. During 1989, $6.5 million in CDAG assistance was given to over 25 Homeownership Opportunity Program projects (HOPs) and State Housing Assistance for Rental Production projects (SHARPs).

Two projects in Holyoke illustrate the range of the CDAG Program's role in fostering community and economic development in Massachusetts cities and towns.

In 1988 Hampden Papers, a Holyoke-based producer of specialty papers and paperboard products, contacted the city's Office for Community Development regarding a proposed $4 million addition to its facility on Water Street in South Holyoke. The addition would house a state-of-the-art laminator, loading and warehouse space and would result in the hiring of over 20 full-time skilled and semi-skilled workers at the firm (which already had 185 employees). However, the firm's insurer had advised company officials that the city's existing water lines were inadequate to provide sufficient fire protection to an expanded facility. As a result, fire and casualty insurance coverage would not be available to the firm unless the city upgraded its water service in the area. The city and Hampden Papers then contacted the CDAG Program. Holyoke's CDAG application stressed the fact that while Hampden Papers was committed to its Holyoke location (the firm had been established in the city in 1880), expansion was impossible without funds to make improvements to the public water supply system in the South Holyoke industrial district. Based on these facts, the city was awarded a $679,540 CDAG. During 1989 design and engineering efforts advanced on both the private and public aspects of the project, with construction anticipated in 1990.

CDAG-funded infrastructure work well underway in South Holyoke neighborhood.

Only a short walk from Hampden Papers' facility is the central core of the South Holyoke neighborhood. The area is primarily residential, with many four- and five-story walk-up tenement buildings constructed in the early 1900s to house the workers (and their families) employed in the nearby industrial district. In 1986 the city and Nueva Esperanza, a local community development corporation funded in part by EOCD's Community Enterprise Economic Development (CEED) Program, requested CDAG funds to support Nueva Esperanza and South Holyoke Housing Associates' proposed $3 million rehabilitation of 47 dwelling units in six neighborhood buildings. The vast majority of the units in the SHARP subsidized project would have three or more bedrooms. However, before moving forward on the housing project, it was seen as essential that public improvements be undertaken in

CDAG Projects – Continued on page 3

From the Desk of Amy Anthony

Dear Reader,

EOCD is about to begin a new round of the Massachusetts Small Cities Program (MSCP) with an earmark of $23.3M in federal Community Development Block Grant (CDBG) funds. In these times of limited financial resources, the MSCP is a flexible source of funding to assist cities and towns with their critical community and economic development needs.

The MSCP funds projects which enable municipalities to undertake a variety of community development activities to benefit low- and moderate-income households, including housing rehabilitation and related activities; affordable housing projects; commercial improvements such as facade and interior renovations; business development assistance; public facility projects including infrastructure improvements, park renovations, and neighborhood facilities; and a variety of social and public services. Eligible grant recipients are municipalities with populations under 50,000 or those not designated "entitlement" communities by HUD.

EOCD is encouraging eligible communities to take advantage of MSCP funding for activities which have suffered significant cutbacks in state resources, such as housing abandonment and housing services.

This year's funding will consist of the following program components: General Fund, Community Economic Development and Housing Development Support Program (HDSP).

Most MSCP funds are available through the annual General Fund Program, with applicants undertaking one or more community development activities. EOCD is increasing the maximum General Fund award to $800,000 to enable communities to undertake both comprehensive and large-scale projects (e.g., day-care center, water or sewer improvements).

EOCD will continue its Performance Bonus Fund initiative. Grantees maintaining a high level of program performance are eligible for an additional 15 percent award, plus administrative costs. The bonus can be used for any eligible CDBG activity. This is a change from previous years, in which bonus funds were used primarily within the program activity which achieved high performance.

Communities are encouraged to prepare joint applications under the General Fund. Similarly, EOCD recognizes the importance of social services for low- and moderate-income persons, particularly in light of significant reductions in state-supported services. Activities allowed under the General Fund include day care, tutoring and education, drug/alcohol counseling and services to pregnant teenagers.

EOCD considers community economic development activities to be critical at this time and has made $3 million of MSCP funds available for three specific economic development programs. They are Economic Development Set-Aside (EDSA), Main Street, and Community Economic Development Feasibility Study.

EDSA is the principal economic tool within this category. It assists communities with major, single-purpose economic development projects involving industrial, commercial, service, real estate or mixed-use projects.

Main Street supports communities through the provision of financial and technical assistance in established downtowns which are experiencing disinvestment. Funds are provided for the salary of a downtown project manager and for specialized technical assistance.

Feasibility grants are available to municipalities to determine the viability of site-specific development projects or projects that are well-defined but have not yet located a site. Grant activities include market and impact analysis, site engineering and financial evaluation.

Finally, EOCD will continue to encourage the development or retention of affordable housing projects through its Housing Development Support Program. Under this component, $3 million will be available to help municipalities support the development, improvement and retention of public or private housing that is affordable to low- and moderate-income persons. Site-specific project activities eligible for funding include substantial rehabilitation of residential structures, homeownership initiatives, reclamation of abandoned properties or properties threatened by abandonment, the provision of necessary infrastructure improvements, the conversion of underutilized or obsolete structures into housing, acquisition, site preparation, and demolition.

I strongly encourage eligible communities to utilize the Massachusetts Small Cities Program as an important vehicle for achieving community and economic development goals.

Sincerely,

Amy S. Anthony

Amy S. Anthony

MSCP PROGRAM	RFP NOTICE ISSUED	APPLICATION DUE
General Fund	July 1990	September 1990
Performance Bonus Fund	April 1991	June 1991
Economic Development Set-Aside	June 1990	Continuous
Feasibility Study Program	June 1990	Continuous
Main Street Program	June 1990	Continuous
Housing Development Support Program	May 1990	Continuous

New Municipal T.A. Publications Available

TRAINING & TECHNICAL ASSISTANCE

Several new and updated publications have recently been written by Municipal Division staff to assist Massachusetts local government officials.

Planners Briefing is a new technical assistance publication. It provides information on current planning issues and is distributed to planning boards, planners, and others in local and regional agencies. The first two editions are entitled "Regulating Roadway Access" and "Multi-Community Review of Development." EOCD hopes to publish an edition every other month.

Recall Procedures in Massachusetts Municipalities is a new publication which discusses recent trends in recall adoption, describes features of recall provisions and reviews questions to consider when preparing to adopt recall.

Recently updated is the **Summary of Home Rule Charter Provisions in Massachusetts**, which discusses forms of local government and includes summaries of all home rule charters adopted through 1989.

Also updated is the publication, **Using Non-Criminal Disposition for Bylaw Enforcement**. It reviews procedures required to issue fines for bylaw/ordinance violations and provides guidance on adoption, implementation, necessary forms, as well as other information.

The publications are available from:

Municipal Division
EOCD – Room 1803
100 Cambridge Street
Boston, MA 02202

Approval Not Required is a handbook recently prepared by the Municipal Division for use by planning boards, zoning boards of appeal, building inspectors and others. It describes the "approval not required" process relative to the division of land and related case law. The handbook can be purchased from the Massachusetts Federation of Planning and Appeals Boards, 187 Mill Street, Haverhill, MA 01830. ■

CDAG Projects – Continued from page 1

this older, urban neighborhood. Therefore, the CDAG Program provided $857,380 for badly needed street and sidewalk reconstruction, planting of street trees, and the replacement of sanitary sewer and storm drainage lines in the project area. During 1989 the housing renovation was completed and all 47 units are now occupied. The CDAG-funded construction activities are well underway and should be completed early in the 1990 construction season. The CDAG Program, the city's Office for Community Development and the South Holyoke neighborhood project were highlighted in the September 1989 issue of American City & County.

Whether supporting industrial development and neighborhood revitalization/housing rehabilitation in Holyoke, commercial revitalization in Boston, new apartment construction in Hudson, or detached single-family construction in Chatham, CDAG funds helped create jobs and make affordable housing a reality for thousands of Massachusetts citizens. ■

Major State Study Nears Completion

In prior issues of IMPACT, a four-part series explained a complicated process whereby the Commonwealth was initiating a Generic Environmental Impact Review (GEIR) on the use of private wastewater treatment facilities (PWTF) in residential subdivisions. The primary purpose of the study is to determine technological feasibility; implications for altering land development patterns and capability of municipalities to manage that new development; and potential institutional and legal framework changes needed to safely utilize this technology. A sponsor group of state agencies, which included EOCD, was formed to oversee the GEIR project. The purpose of this article is to bring the reader up to date as the project enters an important stage.

The draft GEIR has now been released to the sponsor group and its Citizens Advisory Committee (CAC), composed of environmental and development advocates, and municipal/regional officials. Initial feedback from the sponsors and the CAC has been very good, and it is hoped that the draft GEIR can be officially filed with the MEPA office in early May, thereby initiating the 30-day public review and comment period.

The report makes many detailed regulatory findings, but some of the major policy findings of the lengthy report include:

1. Private wastewater treatment facility (PWTF) effluent is of higher quality than that obtained from a conventional septic system; therefore, the technology should be supported.

2. Although risk of failure in a PWTF is greater than in a septic system, because it is susceptible to mechanical and/or electrical malfunction, this can be and is addressed in state regulations.

3. Regulatory programs in the subset of states surveyed for this report were not as cautious as Massachusetts with respect to PWTFs.

4. The report recommends that the Department of Environmental Protection discontinue using single, uniform water quality standards and adopt a natural resources-based system whereby effluent standards are set on a site-by-site basis.

5. The report recommends lowering the current 15,000 gallons per day (GPD) standard for projects requiring state DEP review to 2,000 GPD. This does not mean that a PWTF would be required at 2,000 GPD but would be considered.

6. Under current zoning ordinances/bylaws, most cities and towns would not permit a PWTF in a residential zone, either as a principal or accessory use.

7. The consultant found DEP's current regulations for back-up disposal capacity overly restrictive, and disagreed that back-up Title 5 leaching field space needed to be reserved for each unit or lot as proposed in a bill filed last session.

8. Revising realty trust documents via new or amended legislation could allow alternative private ownership entities, thereby curing any problems regarding the long-term enforcement of up-front permit stipulations.

GEIR Study – Continued on Page 4

GEIR Study – Continued from page 3

9. It is apparent that PWTFs can allow for more intense levels of development on a given parcel and in areas that might be currently restricted under Title 5 of the state environmental code; therefore, good land use planning will be needed at the local and regional levels.

10. The PWTF is most likely to be utilized in communities with strong development market demand, with environmental constraints to development by septic systems, and with inadequate zoning and poor land use planning.

11. PWTF can be utilized to resolve both existing environmental problems (e.g., failing septic systems throughout one area of community) and to promote environmental and land use policies (e.g., protection of farmland through cluster development).

12. Prior to making any changes in PWTF regulations, consideration must be given to the need for similar regulatory changes for septic approvals. Since PWTFs provide higher quality effluent, state should not indirectly create incentives to use septic systems.

13. If properly designed, operated and maintained, PWTFs better protect the public health than septic systems; therefore, boards of health should not promulgate regulations prohibiting their use generally but review on a project-by-project basis.

The final step prior to filing the draft GEIR was for the sponsors group to draft state policy positions on the following major policy questions presented in the report.

1. Should the state move to a natural resources-based review system versus statewide standards? What would be entailed? What would be the personnel and data needs? Costs?

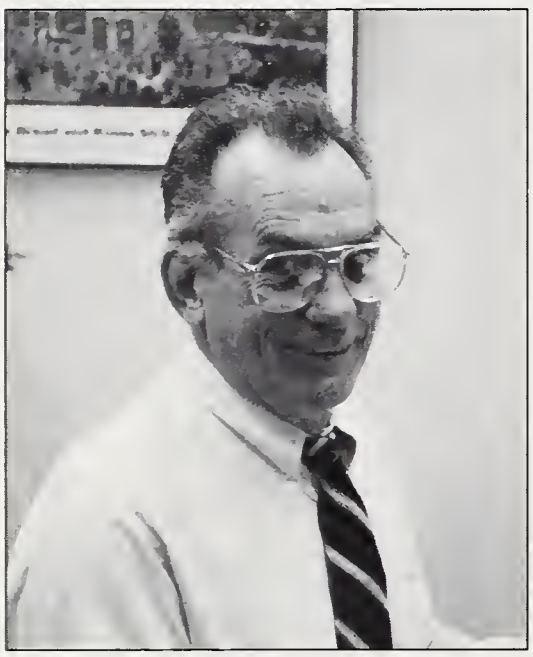
2. Can some of the PWTF review, approval and monitoring be handled by regional entities? How would this change occur, e.g., what powers would rest at the state, regional and local levels?

3. If the state is going to support the use of PWTFs, should it amend the state zoning act (Chapter 40A) to allow siting in residential zones and/or on separate lots?

4. How can communities plan for community character and growth management if this technology allows for increased density and more development in general?

5. Should DEP lower the threshold for state review from 15,000 GPD to 2,000 GPD or some other threshold? What does this mean relative to local board of health involvement? What will it require at the state level relative to personnel and funding?

As this article was going to press the sponsors group was working to reach consensus on appropriate policy responses to the above questions. These policy positions were to be reviewed for approval by the Development Cabinet. The reader should watch for the draft GEIR to be issued in a May Environmental Monitor in order to get timely commentary filed. ■



JAMES MALONE was recently appointed Assistant Secretary for the Division of Municipal Development by Secretary Amy Anthony. For the past four and one-half years, Jim has served as the Municipal Division's Deputy Assistant Secretary for Economic Development. Jim is succeeding former Municipal Division Assistant Secretary RICHARD HOWE, who has been appointed Deputy Secretary to Secretary Anthony.

Congratulations to Dick and Jim on their new assignments.

EOCD land-use specialist Don Schmidt speaks before Massachusetts Association of Planning Directors.

OLRP Responds to T.A. Requests

TRAINING & TECHNICAL ASSISTANCE

The Municipal Division's Office of Local and Regional Planning (OLRP) has been busy responding to local, state and regional technical assistance issues. OLRP staff has been designing and conducting training workshops and presentations on a wide variety of topics.

- a zoning and subdivision clinic for members of the Massachusetts Association of Planning Directors
- presentations at several public hearings on the final report of the Special Legislative Commission on Growth and Change
- training sessions on the Zoning Act for the Massachusetts Town Clerks Association
- regional presentations to members of the Massachusetts Federation of Planning and Appeals Boards on new Municipal Division handbook, Approval Not Required (land use publication which relates to the division of land) ■

Small Cities Funding Housing Rehabilitation in Ware

BEST PRACTICE

"Housing rehabilitation projects, made possible through EOCD's federally funded Massachusetts Small Cities Program, have made a major difference in the quality of the housing stock in the town of Ware," according to Susan Rutherford, the town's Director of Community Development.

A typical New England mill town, located in west-central Massachusetts, Ware was a thriving community around the turn of the century. A legacy of the mill industries, however, was an abundance of multi-family housing units which fell into disrepair when the mills closed and the local economy began to lag. Ware is a relatively isolated, low-income community; and much of its housing stock suffered from lack of attention and a failure to invest in maintenance and upkeep.

The availability of Massachusetts Small Cities Program (MSCP) funds for housing rehabilitation in the early 1980s began a process of rejuvenation, assisting Ware residents of lower income in making necessary improvements to their homes. The program has helped to produce and maintain an inventory of affordable housing for the area and has allowed local residents to take pride in their homes and in their community.

A typical beneficiary of Ware's Housing Improvement Program is a middle-aged or elderly homeowner with a household income of $7,000-$16,000 per year. Participants in the program are generally seeking assistance to repair and upgrade their homes in order to eliminate code violations. Improvements include repairing faulty roofs, replacing worn-out heating systems and inadequate electrical and plumbing systems and eliminating code violations in bathrooms. Additionally, the program focuses on eliminating environmental code violations such as asbestos and lead paint.

Since the standard loan or grant in Ware has been $8,000 per unit, more extensive or comprehensive rehabilitation is undertaken only when the owner is able to borrow additional private funds.

In Ware, multi-unit housing properties of four or fewer units are usually owner-occupied. However, whether owner-occupied or investor-owned, the typical Ware multi-unit owner has invested private funds to supplement the Small Cities contribution. Private investments have ranged from a few hundred dollars to over $100,000, with an average around $40,000. The owner of one three-unit house (see photo) matched $33,300 of MSCP funds with $36,700 of his own. Local lending institutions have supported the Ware Housing Improvement Program with competitive interest rates and reduced loan fees. As a result, the owners of properties such as the one pictured have been able to put together the financing for major rehabilitation work to eliminate all code violations.

Since 1981, approximately 190 housing units have been rehabilitated in Ware under the Small Cities Program. Despite this progress, many housing units with significant code violations still remain. However, the town is well on its way to establishing a standard for safe housing in the area. With the continued cooperation of local lenders, low- and moderate-income property owners and MSCP funding, the town of Ware is making positive housing reinvestment work both for its residents and the local business economy. ■

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In Ware, three-unit house in disrepair.

Same house after rehabilitation using MSCP funds.

Main Street Workshop Focuses on Long-Term Economic Survival

TRAINING & TECHNICAL ASSISTANCE

A two-day workshop held in February provided communities currently participating in EOCD's Main Street Program with a unique opportunity to learn from older, established downtown organizations. The workshops are designed to assist the directors of the local Main Street Programs with issues related to the economic revitalization of their downtown commercial areas.

The workshop included a panel discussion by several commercial district organizations that have successfully made the transition beyond the start-up period to become established, on-going organizations. Panel members included Ann McFarland Burke, Greater Holyoke, Inc.; Sarah Cressy, Hudson Chamber of Commerce; Kathleen McCabe, Roslindale Village Main Street (Boston); Andree Tremoulet, Pittsfield Central; and Robert Smolen, Downtown Crossing Association (Boston). The five panelists addressed organizational and funding issues relative to establishing and maintaining stable downtown organizations.

Workshop participants were treated

Three Major Workshops Scheduled for June

Workshop on Downtown Financing

TRAINING & TECHNICAL ASSISTANCE

EOCD's Main Street Program will present a day-long workshop on local downtown financing mechanisms on Wednesday, June 13, at the McCormack State Office Building in Boston.

The Main Street Program, in existence for ten years, provides financial support, training and technical assistance to communities on downtown economic development issues through a local central business district organization.

The workshop and an accompanying handbook are being developed in response to the need for resources to finance local infrastructure and other development projects and to identify long-term funding sources to sustain the work of local downtown organizations.

The workshop presentations and handbook will cover a variety of financing tools describing their key characteristics and how they can be implemented:

- tax increment financing and other tax policies
- business improvement districts
- enterprise zones
- impact fees
- linkage
- institutionalized funding events
- property development and management

Presently, some of these financing tools can be used in Massachusetts, but most do not have enabling legislation and thus require legislative enactment (home rule petitions or proposals by the legislature) to establish them. Since most of these tools are used extensively in other states, however, there is much experience to draw from in determining which tools can be effective for achieving particular development goals. The workshop will provide information and case examples of how other states have successfully used these tools. In addition, the current Main Street communities are working with their legislators and local officials to determine viable financing options to pursue in Massachusetts cities and towns.

Announcements will be sent to local officials and development corporations in mid-May. There will be a charge to cover the cost of the training and handbook, but efforts are being made to keep costs modest, including holding the workshop at a state facility.

For more information, call the Massachusetts Main Street Program (727-7180).

Jobs and Housing Workshop

EOCD, Metropolitan Area Planning Council, Massachusetts Land Bank, and Central Transportation Planning Staff (CTPS) are holding a one-day workshop on June 20 to increase the awareness of both the public and private sectors of the growing jobs-to-housing imbalance, the consequent impacts and potential solutions.

The program will include David Schwartz, New Jersey Assemblyman and President of the National Alliance for Affordable Housing, giving a keynote address and corporation executives discussing how they have included housing issues in their corporate plans. The workshop will also highlight tools and resources to facilitate housing programs (e.g., tax credits, non-profit development initiatives), the roles which state and local government and the private sector can play in instituting solutions to the housing/jobs imbalance and a CTPS slideshow on commuting demographics.

Workshop announcements with final details and location are being sent in mid-May to local planning boards, private employers and developers, local housing authorities and partnerships, regional organizations, community development corporations, local officials and others. For additional information, call EOCD's Office of Local and Regional Planning (727-3197).

Program for Planners

The New England Chapter of the American Planning Association and EOCD, together with a host of co-sponsors, will present "Today's Planners: Different Skills and Common Goals" on June 6, at the Sheraton in Sturbridge. This program will address the need to increase citizen support for and involvement in planning, both by supporting funds for planning activities and by voting to enact the planning recommendations resulting from these activities. Program announcements were sent to planning boards, planning and community development departments, etc. in early May. ■

to a slide presentation and walking tour of Boston's Downtown Crossing by Robert Smolen of the Downtown Crossing Association. Highlighted on the tour were the organization's computerized business directory, maintenance programs, Push Cart or "on-street" retail program, performing arts series and homeless outreach program.

Later in the day, Alan Levy, Program Director for Taunton's downtown program, "Heart of Taunton," conducted a session exploring the various fundraising approaches being used by the downtown organizations participating in the workshop. In all, 15 Massachusetts communities and two Boston neighborhoods were represented at the training.

EOCD's Main Street Program holds two-day training workshops on a quarterly basis for the directors and board members of the local downtown revitalization organizations participating in its program. The workshops are formatted to provide training for the local Main Street Program directors on the first day. Through facilitated roundtable discussions, the directors are given the opportunity to share ideas, discuss problems, explore solutions and focus on each community's accomplishments in the four program areas of *organization, economic restructuring, design and promotion.*

The second day of the training is open to the local organization's board members and community officials and focuses on a specific topic of importance to all downtown organizations. Past workshops have included specialized training in conducting market analysis, creating successful promotions, board development and fundraising.

In addition to the quarterly training workshops, staff of EOCD's Main Street Center and the National Main Street Center provide technical assistance to local Main Street organizations. ■

Downtown Crossing Association's Robert Smolen conducts tour for Main Street project managers.

EOCD Testifies on "Grandfathering Bill"

Assistant Secretary James Malone recently testified before the Joint Committee on Local Affairs in favor of Senate Bill S.909 (An Act Relative to Exemptions from Zoning Changes) before a standing room only audience. This bill is also known locally as the "grandfathering bill."

Grandfathering, as it applies to Chapter 40A (the state's Zoning Act) protects a development project from zoning amendments. The primary purpose of S.909 is to change the effective date of this protection. Presently, a community can place a legal notice of its intent to modify its zoning, and developers can file plans, prior to the final vote of town meeting or city council to approve an amendment.

S.909 would change this grandfathered protection to the date of the first legal notice of the proposed change. This would enable communities to enact a zoning change needed to implement new local plans, such as those prepared with EOCD Strategic Planning grants.

Other major changes included in

Assistant Secretary Malone testifies before joint Committee on Local Affairs.

S.909 and supported by EOCD include:

- granting grandfathering to development plans requiring a special permit, if filed prior to the first legal notice of the proposed zoning amendment;
- decreasing the timeframe of the grandfathered protection from eight to four years;
- tying the grandfathering to the filing of the preliminary plan rather than the definitive plan, as some would propose; and
- eliminating grandfathering for Approval Not Required plans (ANR).

Assistant Secretary Malone did, however, oppose the provision that would decrease from seven to three months the time allotted to move from a preliminary to a definitive plan in order to obtain this four-year grandfathered protection. "Due to the complexities of filing an agreed upon definitive plan (e.g., some communities require local environmental impact reports), three months is simply not enough time," explained Malone.

EOCD also suggested an addition to S.909 concerning the time a project could be vested. EOCD supported the four-year standard but also recommended a local option provision be added. This would allow for larger, phased projects to be negotiated with the planning board, including any necessary mitigation. As Assistant Secretary Malone testified, "This would allow locally supported, quality development to gain some flexibility and certainty by means of a negotiated agreement." ■

Norwood, Foxborough Set Development Strategies for Route 1

BEST PRACTICE

Recently, two Strategic Planning projects were completed which address similar planning issues in two Route 1 communities. In both Norwood and Foxborough, large areas of land adjacent to the state highway were zoned for commercial/industrial use without the benefit of zoning techniques and controls commonly used in other communities. In one instance the very lenient zoning provisions had remained unchanged for the past 26 years. The concern in both communities was that these highway lands represented a "time bomb" of building potential which could result in large amounts of unwanted development. The goal of the projects was to provide a better match between local regulations and the desired intensity of development.

These Strategic Planning projects resulted in community planning for the use of the land and the adoption of regulations to guide the development according to community goals.

The town of Norwood identified a specific land use problem while undertaking a comprehensive planning exercise. Portions of Route 1 had been zoned for highway development but without use or dimensional restrictions. Any lots which met the minimum size requirement were eligible for a wide variety of virtually uncontrolled commercial/industrial development.

With the assistance of EOCD Strategic Planning funding, Norwood contracted with Phillip Herr and Associates to assess the Route 1 corridor, identify community strategies for development, and produce rezoning proposals to bring the planning and zoning designations for the area in line with Norwood's townwide planning. In developing the zoning revisions, ultimately adopted at a Special Town Meeting in 1989, the consultants also produced an inventory of existing land uses and a build-out analysis. The rezoning package eliminated the unwanted districts by reassigning land areas into the adjacent districts with similar existing or allowed uses.

Adopting specific land use regulations in conjunction with planning efforts is vital to creating a realistic and enforceable plan. Sharon Wason, Norwood Town Planner during the study, indicated that the planning board was pleased with the result and direction provided by the planning effort. In addition to the plan for Route 1 and the rezoning package to implement its recommendations, she noted that the build-out analysis of Route 1 is a tool that the board will use in evaluating future zoning proposals.

Farther south on Route 1, the town of Foxborough faced a similar problem. Approximately 800 acres of land on Route 1 was designated a Special Use District. Originally intended as a flexible district for development, it allowed a greater variety of uses and more lenient dimensional controls than the community desired for the area. With the grant from EOCD, the town contracted with HMM Associates to evaluate the existing zoning and community planning goals and develop an alternate strategy for allowing development. Working with the growth management study committee created to guide the project, HMM developed an inventory of existing uses, vacant lands and natural resources in the study area, performed a build-out analysis and projected the impacts associated with the projected growth. When assessed in light of the community's planning objectives for the area, including:

- promoting economic development,
- utilizing high quality site plan standards,
- reducing the number of access points on Route 1,

alternative growth management strategies emerged. The preferred alternative — a package of modifications to the existing zoning — passed unanimously at Foxborough's 1989 Town Meeting. The revisions included clarification of permitted uses, increased special permit requirements and addition of a planned development category allowing for greater flexibility of design.

Commenting on the work accomplished, Tim Higgins, Foxborough Planning Administrator, felt that the community was well prepared for future development in the Route 1 corridor. He noted that the project has provided the community with a state-of-the-art growth management plan and that the planning board now has the tools to direct new development along the corridor.

Planning Administrator Tim Higgins presents Foxborough Strategic Planning project.

Communities such as Norwood and Foxborough are fortunate to be able to pursue active planning programs. The focus areas of their Strategic Planning projects, if left unaddressed, could have been subjected to major development that was inconsistent with local planning goals and objectives. Their approaches and experiences with planning processes and the selection of strategies and tools may be beneficial to other communities with similar concerns and conditions. Further information about the Norwood and Foxborough Strategic Planning projects may be obtained by contacting the Norwood Planning Board, Foxborough Planning Administrator Tim Higgins or EOCD's Strategic Planning Program. ■

Special Project Grants Awarded to 27 Non-Profit Agencies

FEDERAL FUNDS

Governor Michael S. Dukakis recently announced the award of nearly $650,000 to 27 non-profit agencies to support their efforts to address the special needs of immigrants, refugees and newcomers. The Governor and EOCD Secretary Amy Anthony presented the awards at a ceremony in East Boston hosted by the East Boston Ecumenical Community Council and Neighborhood of Affordable Housing.

The awards were made through EOCD's federal Community Services Block Grant (CSBG) program and will restore some of the critical services the Municipal Division's Gateway Cities Program provided to immigrants and refugees.

"It gives me great pleasure to make these awards to groups whose funding has been dramatically reduced even as the need for their services continues to grow," Dukakis said. "The elimination of the Gateway Cities program was one of the more painful cuts we've had to endure. These federal funds will allow us to at least fill some of the gaps in services so that newcomer-groups will receive some of the assistance they need."

A total of 27 local non-profit organizations in 14 cities and towns will share the nearly $650,000 in CSBG Special Projects funds administered by EOCD's Neighborhoods Division. The awards will support a broad range of services and programs for newcomer populations, including housing counseling, literacy and English-as-a-second-language (ESL) classes, and interpreter services. Capacity building initiatives have also been funded to promote long-term community participation strategies and the self-sufficiency of newcomer-based organizations.

Anthony noted that this year's Special Projects competition was one of the most competitive in the program's history with 104 groups applying for the limited funding. "For every group we are able to support today, there are two others that could not be funded," said Anthony. "That this process was so competitive speaks to the continuing need for services to address the needs of refugees and immigrants in communities across the state." ■

Secretary Anthony speaks at awards ceremony.

MSCP Special Round Funds Charlemont Sewer Project

FEDERAL FUNDS

The town of Charlemont, located in rural western Franklin County, was awarded a grant of $1.5 million under EOCD's federally funded Massachusetts Small Cities Program (MSCP) Special Round for Community Facilities and Infrastructure. The grant award will enable the town to design and construct a sanitary sewer system vital to Charlemont's central village, along the banks of the Deerfield River. The grant to Charlemont was one of nine awards totaling over $8 million to undertake significant and critical public facility infrastructure improvements.

There is currently no municipal sewage collection or treatment system in Charlemont. The new sewer system will eliminate two critical environmental conditions resulting from an inadequate sewage system. First, it will eradicate a major source of pollution in the Deerfield River. For two centuries, inadequate septic disposal and "straight pipe" discharges from Charlemont Village have contributed to the river's pollution. The obsolete septic systems have also threatened drinking water supplies in the village area.

The sewer project has received the necessary approvals from the U.S. Environmental Protection Agency (EPA) and the Massachusetts Division of Water Pollution Control. It will consist of a collection and treatment system utilizing small-diameter gravity sewers, pressure sewers, an 18,000 gallon septic tank, septic tank effluent pumps, a recirculating sand-filtration treatment system, and ultraviolet light disinfection to serve Charlemont Village.

The total cost of this ambitious project will be more than $5.3 million and includes funding commitments from several state and federal sources, as well as the Charlemont Sewer District. In addition to the $1.5 million Special Round grant from EOCD, other funding commitments from the Commonwealth include a grant from the Department of Environmental Protection (DEP) and reprogrammed funds from an earlier Small Cities grant. The federal government has committed grants from the EPA and the Farmers Home Administration (FmHA). The FmHA has also indicated a willingness to finance any remaining funding gap with a combination grant/loan mechanism. The Charlemont Sewer District will bond for $335,000 as the local contribution to the project.

More than half of Charlemont's residents who will be served by this project are low- and moderate-income. The realization of this complex project is the result of the persistent efforts of many groups and individuals in Charlemont and a partnership which involved various levels of government cognizant of this project's potential for environmental and economic benefits. ■

Joint Purchasing by Massachusetts Cities and Towns

In view of the limited resources available to local government and the increasing demand for additional services by citizens, cities and towns are looking to take advantage of cooperative endeavors to reduce local costs. Joint purchasing is an example of this increasing trend.

Although joint purchasing is by no means a panacea for the increase in the cost of supplies and services, it can result in savings when an efficient program is developed.

A report by the National Institute of Governmental Purchasing, Inc. states that many benefits are derived from cooperative purchasing ventures.

- Government which is highly regulated and, therefore, does not have the flexibility of private enterprise can combine purchasing power allowing small and large jurisdictions to join in purchasing.
- No individual municipality, county or agency surrenders its buying authority.
- No member of the group is required to purchase any one commodity.

Additional advantages to joint purchasing include the following:

- it reduces the time to research specifications;
- it enhances and simplifies the bidding process; and
- it reduces vendor costs, therefore reduces prices (quantity purchases with fewer proposals and bids).

The Massachusetts Experience

In 1970 the Massachusetts Legislature amended Chapter 7 of the General Laws to encourage cities and towns to participate in collective purchasing arrangements. Section 22A of Chapter 7 deals with purchasing through the State's Collective Purchasing Program, and Section 22B deals with collective purchasing by political subdivisions.

Since its enactment, many communities, counties, special districts and authorities have taken advantage of the Commonwealth's joint purchasing legislation. Approximately 250 Massachusetts political subdivisions presently purchase one or more items from the state's contract list. Interested cities and towns should contact the State Collective Purchasing Program at (617) 727-2920.

In addition to participating in the State Collective Purchasing Program, many Massachusetts cities and towns have banded together, in both small and large groups, to jointly purchase one or more of the items or services needed in the day-to-day operations of local government.

In some instances, one community in a consortium will take responsibility for the purchase of one or more items, including the bidding and administering procedures, and another member community will assume the same role for another item jointly purchased.

As one might expect, smaller communities have and will continue to benefit considerably from purchasing through cooperatives. Often, larger communities serve as the purchasers and administrators of such programs.

Joint Purchasing Table

Table II provides a sampling of the joint purchasing arrangements which currently exist in Massachusetts cities and towns. As the table shows, joint purchasing occurs among both small and large groups, may involve more than one item, and includes groups of communities from across the state and frequently political subdivisions other than city and town government.

In compiling the information on municipal joint purchasing, local purchasing agents noted that bulk purchasing and streamlined administrative and bidding procedures resulted in cost savings. Although details on cost savings realized were difficult to quantify, a few specific examples were identified:

- 46% savings in office supplies purchased by the Suffolk-Middlesex Municipal Cooperative;
- 8–10% savings on police, fire and office equipment purchased on behalf of three separate groups by Newton's Purchasing Agent;
- 35% savings on road salt jointly purchased by Wellesley, Dedham, Dover, Needham and Westwood.

Uniform Procurement Act

On May 1, 1990, the Uniform Procurement Act (Chapter 30B) went into effect. The new law, a five-year effort by the Inspector General, clarifies and modernizes the rules for contracting for supplies and services by all Massachusetts cities, towns, counties, districts, regional school districts and local authorities. It also covers the purchase, sale and rental of real property and the disposal of surplus supplies and property.

The new law permits local awarding authorities to raise the threshold for advertising when purchasing many supplies and services. It is intended to streamline the procurement process by simplifying the award of small contracts and concentrating resources on larger purchases. These reforms will result in cost savings by promoting more efficient purchasing procedures, increasing competition for public contracts and securing lower prices.

A uniform procurement system for all cities and towns is further inducement for municipalities to seriously consider collective purchasing.

The Office of the Inspector General is conducting training sessions and publishing a manual to assist local officials in the implementation of the new law. Information on the new law is available from the Inspector General's office at (617) 727–9140.

Follow-Up Assistance

The Massachusetts Association of Public Purchasing Officials (MAPPO), which consists of approximately 100 purchasing agents representing cities, towns, authorities, etc., was extremely helpful in providing information on some of the interlocal arrangements contained in the table. Grace Regato, Purchasing Agent for the City of Lynn and President of the Association, has indicated that the members of the MAPPO are very willing to offer assistance to communities which thus far

TABLE I

ITEMS FREQUENTLY PURCHASED JOINTLY

Motor vehicle gasoline and ail, diesel fuel, lubricants

Autamative and heavy equipment tires, batteries, spark plugs, belts, hases, air, gas and ail filters

Antifreeze, caalant, fluids

Autamabiles, trucks, special-purpase vehicles, plaws, graders

Heating ail, caal

Chemical agents

Traffic signs, sign campanents, traffic paint

Lamps (incandescent, fluarescent, vapar)

Paints, varnishes, refinishing supplies

Fertilizer, lime, mulch, sad, seed

Cancrete, concrete shapes, pipes, stane, gravel, sand

Fire extinguishers, refills, fire hoses

Custadial supplies

Office supplies, furniture and equipment

Library and schaal supplies

Carpeting

Unifarms (fire, palice, haspital, custadial)

have not participated in joint purchasing.

Staff of the Municipal Management Technical Assistance Program and others in the Municipal Division can assist local officials with these and other management issues. For more information on municipal joint purchasing, contact Mary Miley, Program Manager, at (617) 727-3253. ■

Call 1-800-392-6445 for information and technical assistance on Division of Municipal Development Programs.

TABLE II

SAMPLE JOINT PURCHASING ARRANGEMENTS

Commodity	Lead Community/Contact Person	Others Participating
Art & Schaal Supplies	Hampden Caunty; Rita Cataldi, Purchasing Agent (413) 781-8100 ext.1028	Springfield Public Library, varaus Hampden Caunty schaals
Bulk Chemicals far Wastewater & Water Treatment Plants	Lawell; Christas Rautsis, Purchasing Agent (617) 454-8821	Nartheast Merrimack Valley Water/ Wastewater Cansartium (15 cammunities)
Fire Department Supplies	Peabady; Dan Daucette, Purchasing Agent (508) 374-2300	Essex Caunty Fire Departments, Peabady, Haverhill
Food Products (varaus)	Warcester; John C. Orrell, Purchasing Agent (508) 799-1220	Warcester Caunty, Shrewsbury
Fuel Oil	Revere; Steve Maura, Purchasing Agent (617) 284-3600 ext.176	Suffalk-Middlesex Municipal Caaperative (7 cammunities, Wakefield School Department)
Fuel Oil	Springfield; Raymand P. Turgeon, Chief Procurement Officer (413) 787-6100	36 cammunities
Fuel Oil	8raakline; Edward S. Clasby, Purchasing Agent (617) 730-2195	Arlingtan, 8elmant, Cambridge, Newtan, Watertawn
Fuel Oil	Fall River; Richard 8arden, Purchasing Agent (508) 675-6011	Plymauth Caunty & Haspital, 3 Regianal Schaals, 16 cammunities
Fuel Oil	Miltan; 8ranch 8 Lane, Asst. Directar Public Warks (617) 698-0100	Sauth Share Purchasing Graup (Narfalk Caunty, 12 cammunities)
Fuel Oil	Westwaad; Ellen Hurley, Asst. ta Purchasing Agent (617) 326-6450	Medfield (Tawns alternate bidding & administrative respansibility annually)
Fuel Oil	Warcester; Jahn C. Orrell,Purchasing Agent (508) 799-1220	Warcester Caunty, Shrewsbury
Gasaline	Revere; Stephen Maura, Purchasing Agent (617) 284-3600 ext.176	Suffalk-Middlesex Municipal Caaperative
Gasaline	Lawell; Christas Rautsis, Purchasing Agent (617) 454-8821	11 cammunities
Gasaline	8raakline; Edward F Clasby, Purchasing Agent (617) 730-2195	Arlingtan, 8elmant, Cambridge, Newtan, Watertawn
Gasaline	Warcester; John C Orrell, Purchasing Agent (508) 799-1220	Warcester Caunty, Shrewsbury
Office Equipment	Newtan; 8lair Kanbar, Purchasing Agent (617) 552-7100	Massachusetts Association School Business Officials (MASB0)
Office Supplies	Medford; Gloria Leane, Purchasing Agent (617) 396-5500	Suffalk-Middlesex Municipal Cooperative
Paper Products	Greater Lawrence Educational Collaborative (508) 470-1990	Andover, Haverhill, Methuen, North Andover, Boxford, Topsfield, Lawrence
Periadicals	Braakline; Edward F. Clasby, Purchasing Agent (617) 730-2195	Nartheastern Mass. Nan-Baak Caaperative (65 cammunities in a wide geagraphical area)
Police & Fire Equipment	Newtan; 8lair Kanbar, Purchasing Agent (617) 552-7100	Greater 8astan Police Cauncil (22 cammunities), Metra Fire Graup (34 cammunities)
Police & Fire Equipment	Waburn; William McGawan, Purchasing Agent (617) 932-4500	10 cammunities
Raad Salt	Lawell; Christas Rautsis, Purchasing Agent (617) 454-8821	Chelmsfard, Haverhill, Tewksbury, Westfard, Dracut, 8illerica
Raad Salt	Waburn; William McGawan, Purchasing Agent (617) 932-4500	10 cammunities
Raad Salt	8everly; Canstance Perran, Clerk af Cammittees (508) 921-6037	Narth Share Public Purchasing Graup (14 cammunities)
Raad Salt	Wellesley; Public Warks Department (617) 235-7600	Dedham, Dover, Westwaad, Needham
Raad Salt	Miltan; 8ranch 8 Lane, Asst. Directar af Public Warks (617) 698-0100	17 cammunities
Raad Salt & Winter Praducts	Hampden Caunty; Rita F. Cataldi, Purchasing Agent (413) 781-8100 ext.1028	22 cammunities

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Boston, Massachusetts 02202

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HDSP To Include Commercial Renovation

FEDERAL FUNDS

Since its inception in 1988, the Housing Development Support Program (HDSP) has provided financial assistance to Massachusetts Small Cities Program (MSCP)-eligible communities in an effort to increase the supply of affordable housing in the Commonwealth. "Gap financing" provided by the federally funded HDSP is utilized in conjunction with other public and private resources. Its purpose is to assist specific projects which involve the creation and/or retention of affordable housing units, the majority of which must benefit low- and moderate-income families.

The HDSP has now expanded its scope of activities to include the rehabilitation of mixed-use structures previously assisted under EOCD's Core Focus Program. Core Focus has been discontinued due to the very limited availability of funding from EOCD's Chapter 707 Rental Assistance Program. This new aspect of the HDSP is intended to promote the development of affordable housing in upper-story, vacant or underutilized space as well as provide for the rehabilitation of ground-level commercial space.

HDSP guidelines are currently being revised to incorporate this new program component which includes the following criteria:

- the building must be located within a designated Commercial Area Revitalization District (CARD), central business district, or clearly defined neighborhood center.
- the building must be a mixed-use structure with approximately 80 percent of the building dedicated to residential use.
- the building must be a "core" building in its area and preferably of historic and/or architectural significance.
- buildings containing both commercial and housing uses, with the intended rehabilitation for housing only, will be considered eligible if the commercial component does not require improvements. Projects requiring commercial assistance *only* must be submitted to the MSCP General Fund.

Revised guidelines will be available shortly. For additional information contact David Lawson at (617) 727-0494. ■

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Michael S. Dukakis, Governor | Amy S. Anthony, Secretary | James R. Malone, Assistant Secretary, Municipal Division

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Jobs and Housing: An Essential Combination

Massachusetts is entering another stage in the evolution of its housing agenda. Long regarded as a national leader in its state-funded public and mixed-income housing programs, and more recently in its partnership efforts involving diverse local groups and housing developers, Massachusetts state agencies are now expanding their agenda to include the role the private employer can play in the housing market.

On June 20 at Wellesley College, EOCD, the Massachusetts Government Land Bank, Metropolitan Area Planning Council (MAPC), and Central Transportation Planning Staff (CTPS) sponsored *Jobs and Housing: An Essential Combination*. The morning portion of the program focused on the problems Massachusetts is experiencing given the imbalance between job creation and housing development. The most visible impact is the near-gridlock condition that exists between 7 a.m.-9 a.m. and again at 4 p.m.-6 p.m. on many Massachusetts highways, as employees must travel long distances from home to work and back. This results in taxpayers believing they need more highways—a very costly and capital intensive solution to a four-hour-per-day problem. It also results in artificially inflated housing costs for the units that exist near major employment centers. When this imbalance is left unchecked, it also causes major recruiting and retention problems for employers who are competing to attract and retain the "best minds" but cannot afford to offer the salaries necessary so that workers may acquire housing equivalent to what they could acquire elsewhere.

Donald Terner, President of BRIDGE, Inc. of San Francisco, presents slides on employer-produced housing to Jobs and Housing workshop audience.

CTPS has produced an excellent report and slide show called *Commuting in Boston* which graphically depicts the jobs-to-housing imbalance, the highway impact and the impact on housing costs. In their most recent issue of *Transreport*, first released at the conference and now available through MAPC, CTPS successfully argues that the construction of housing either on or near the worksite is a necessary traffic mitigation measure and will become a factor as the Executive Office of Transportation and Construction issues curb cut permits for major economic development projects.

Similar perspectives on the jobs-to-housing imbalance were offered by representatives of three different but equally impacted sectors—Richard Mastrangelo, Senior Vice President and General Counsel for Associated Industries of Massachusetts, Alan Gordon, President of the Massachusetts Association of Planning Directors, and private consultant Robert Engler on behalf of the housing industry.

A keynote address on solutions to this problem already underway around the country was given by Richard Ferlauto, Director of Special Projects at the American Affordable Housing Institute, located at Rutgers University. He highlighted mortgage guarantees, interest subsidies, housing allowances, land donations and the formation of non-profit development corporations as just some of the efforts by private employers to help lower the cost of housing for their employees.

Donald Terner, President of BRIDGE, Inc. of San Francisco, traveled to Wellesley to inform attendees about this private non-profit development corporation, entirely capitalized by private employers, large and small, around the San Francisco Bay area. He used slides to explain how BRIDGE has utilized density bonuses to produce high quality mixed-income housing, becoming the country's 125th largest housing producer in the seven years since its inception.

William Tierney of the Midwest office of the National Federal Mortgage Assistance Program, more commonly known as Fannie Mae, discussed an

Jobs and Housing – Continued on page 2

From the Desk of Amy Anthony

Dear Reader,

In late July, Governor Dukakis launched the most massive construction program in the state's history. "Building the Nineties" will include public construction projects worth $3.25 billion and will put over 12,000 people to work in direct, on-site construction jobs. At least as many jobs will be created in the engineering, accounting, and secondary services required to support this construction.

Most of you know about the largest public projects on this agenda: the Central Artery-Third Harbor Tunnel and the Boston Harbor Clean-Up. Often lost in the shadows of these mega-projects are the many smaller projects that will occur throughout the state, adding jobs and stimulating local economies. These smaller projects include road and bridge work by the Massachusetts Department of Public Works, water distribution and wastewater treatment facilities being built throughout the state, improvements to the Massachusetts Turnpike and commuter rail system, and the construction and rehabilitation of correction facilities, schools, and public housing.

EOCD will be a part of this important agenda. Construction projects totaling more than $160 million will be started in the next twelve months in support of EOCD housing and community development goals. New public housing, the rehabilitation of older public housing, and assistance to local economic development projects through the Community Development Action Grant (CDAG) program will put local construction people to work on local projects. The people directly affected include laborers, heavy equipment operators, skilled tradespeople, and engineers. In addition, the projects will be purchasing lumber and building supplies, hardware, concrete, and many other items from local businesses.

All of this means that these state projects will have wide-ranging positive impacts in communities all across the state. In the Governor's words, "This effort will give the economy the jumpstart it needs. With construction bids coming in as much as 20 percent below cost estimates, we will realize significant savings by starting projects now."

These same factors can also be favorable for local government construction spending. Projects started by local government will assist in stimulating the local economy in the same way, and can realize the same savings in the current market. Now is a good time to move your construction projects forward—local economies need the boost, local workers need the jobs, and the climate for bidding has not been better in many years.

One final note—the success of the public construction program is closely linked to the state's bond rating. We cannot afford to have the bond rating further eroded or state revenues continue to decrease. We need these projects to keep our people working and to strengthen our economies, state and local.

Sincerely,

Amy S. Anthony

Amy S. Anthony

Jobs and Housing – Continued from page 1

innovative "Walk Home Program" that they are helping to fund in Chicago. Barry Monahan, Assistant Vice President for Administration at Wellesley College, gave an excellent presentation on techniques being utilized by colleges and hospitals to meet their unique needs, with special attention given to programs underway at Wellesley and Williams Colleges. Jonathan Keefe, Senior Project Manager for Nynex Properties Company in Boston, explained the federal housing tax credits and how they were utilized by Nynex and several other Boston-based corporations to produce affordable housing in the city. Bruce Marks, representing Local 26 of the Hotel Workers Union, explained how they have earned the right for workers to bargain for housing and how other unions plan to incorporate housing benefits as a key component in upcoming contract negotiations. Jerry Fensterman of Local Initiatives Support Corporation (LISC) informed attendees of a program under way in Hartford, Connecticut, that utilizes city employees' pension funds to produce housing; and Jean Graef, President of Jean Graef Companies and author of "Affordable Housing for an Affordable Workforce," told of ways that corporations can produce and share housing equity programs with their employees, and explained why it is in their best interest to do so.

Feedback from the well attended event was excellent, citing the all new content of the subject matter in Massachusetts, the quality of the speakers and the fact-filled packet provided to all registrants. If readers wish to obtain materials distributed at the conference, you can call EOCD at (617) 727–3197. Also, *Transreport* can be obtained from MAPC, (617) 451–2770, and *Commuting in Boston* can be obtained from CTPS, (617) 973–7142. ■

Unique Affordable Housing Model Developed in Athol

The town of Athol and the Millers River Self-Help-Network have joined forces to develop an innovative affordable housing cooperative, one which guarantees long-term affordability without the use of state or federal rental subsidies.

The developer is the Millers River Self-Help Network, a community development corporation (CDC), which for the past five years has been committed to creating homeownership opportunities for the communities in its nine-town area. The town of Athol, which has participated in EOCD's Massachusetts Small Cities Program for several years, has a board of selectmen and community development staff who have exhibited a strong commitment to affordable housing.

Victorian home converted into four-unit Highland Cooperative for low-income families.

high quality alternative to renting

The joint venture undertaken by the town of Athol and the Millers River CDC is called the Highland Cooperative and was designed to create a high quality alternative to renting for low-income people. This limited equity cooperative is the first of its type in the community and takes a different approach to creating and preserving affordable housing by not requiring rental subsidies.

The project involves a four-unit, 100-year old victorian house located in an established family neighborhood of large and stately homes. The Highland Cooperative is creating four permanently affordable units with an ownership structure which will allow present residents security of tenure, significant control over the maintenance and operation of the property, and a limited return on equity over time. It will provide affordable housing for four low-income families and will complement the town's past and ongoing efforts in this area.

John Conway, Assistant Community Development Planner for the town, says, "We are excited about this project which is the first of its type to be developed in the area. It provides a good example of a town and a non-profit CDC working together to produce affordable housing."

The financing for the Highland Cooperative is a multi-tiered mechanism involving private bank funds, public funds and owners' equity (i.e., share costs). The Shawmut Bank of Franklin County, the Massachusetts Housing Partnership's Housing Innovations Fund (HIF), and the town of Athol, using EOCD's Massachusetts Small Cities Program Funds, have committed a combined total of $239,645 to cover acquisition, rehabilitation and miscellaneous fees. The Shawmut Bank of Franklin County has committed a total of $142,000 in temporary and permanent financing. At closing, the HIF loan will repay the Shawmut Bank loan in the amount of $100,000, and a Shawmut permanent mortgage of $42,000 with a 20-year term will remain on the property. The HIF $100,000 is a Deferred Payment Loan (DPL) with a 40-year maturity date, and the town has committed $99,986 in two DPLs with 15-year and 30-year terms. The current tenants, soon to be shareholders in the cooperative, will contribute a total of $4,660 in owners' equity.

The sources and terms of the financing have been combined to ensure that the cooperative will preserve the current affordability of the units. The occupancy charges (i.e., monthly co-op payments) for the four units have been set according to HIF program standards which require payments equal to 30 percent of income. The occupancy charges for the units are as follows: the two one-bedroom units are $245 and $350, and the two two-bedroom units will have monthly costs of $351 and $454.

The town of Athol has worked closely with EOCD's Massachusetts Small Cities Program, the Massachusetts Housing Partnership's Housing Innovations Fund, the Shawmut Bank of Franklin County and the Millers River CDC to ensure that this worthwhile project comes to fruition. For more information on the Highland Cooperative, contact Athol's community development department.

Other Millers River CDC Initiatives

In addition to its role in the Highland Cooperative, as part of its goal to assist low- and moderate-income people, the Millers River CDC has created prototype models for permanently affordable housing which may be of interest to the reader. The CDC has also created self-help housing, has organized a nine-town effort for long-term

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EOCD Assistant Secretary Jim Malone speaks to participants at workshop on funding downtown revitalization.

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regional planning, and has organized tenants living in mobile home parks to help preserve this type of housing. Millers River CDC has also undertaken a project involving the use of formerly underutilized agricultural land. Through this project, three affordable homes are being constructed (partially through the efforts of volunteers and the sweat equity of the new homeowners) in exchange for one of the three households agreeing to work a portion of the agricultural land. Another recent effort is the CDC's Counter Cyclical program which brings together landowners who are unable to sell their land, banks with mortgage funds to lend and builders who are without work to construct single-family homes. These homes sell for $76,000, with no downpayment requirements and with resale restrictions which ensure that the housing remains available and affordable to low- and moderate-income people. For further details on any of these programs, contact Mark Shoul, Executive Director of the Millers River CDC, (508) 249–9295. ■

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Main Street—Funding Downtown Revitalization in the '90s

Downtown development agencies across the Commonwealth and the nation are facing major challenges—reduced public sector funding, rapid changes in retailing and uncertain economic conditions. Assisting Massachusetts communities and downtown organizations in meeting these challenges was the major goal of a June 13th Main Street Program workshop—"Downtown Revitalization: Implementation Tools and Techniques for the '90s."

The workshop attracted more than 100 participants representing communities from throughout the state. The workshop was sponsored by EOCD's Main Street Program, the City of Peabody, and participating Main Street Program communities, and was partially funded utilizing EOCD's federal Community Development Block Grant Program resources. Assistance in developing the workshop was provided by the Massachusetts Central Business District Association and Project for Public Spaces, Inc.

The workshop included welcoming remarks by EOCD Secretary Amy Anthony, EOCD's perspective on downtown development by Assistant Secretary James Malone, and a discussion of the administration's goals by Secretary Alden Raine of the Executive Office of Economic Affairs.

Morning sessions focused on the use of both traditional and innovative mechanisms for financing downtown organizations, management programs and capital projects. Three concurrent afternoon sessions provided participants with information on understanding and implementing special benefit districts, adapting the centralized retail management technique to local downtown organizations, and generating new revenue sources.

The workshop concluded with a state legislative roundtable and a session on "Where do we go from here?"

Carlo Marchetti, Executive Director of Springfield Central, Inc., moderated roundtable presentations by Senator John Olver, Representative Daniel Bosley and Joel Bard, Esq. of Koppelman and Paige. The status and major provisions of proposed economic development legislation were discussed. These included tax increment financing, economic assistance areas, enterprise zones and special assessment districts for downtowns.

Gary Ferguson of the Downtown Haverhill Partnership and Kathy McCabe of Roslindale Village Main Street discussed the goals of the newly formed Massachusetts Central Business District Association. The association was formed in early 1990 to foster the efforts of Massachusetts central business districts to be healthy and vital centers by advancing their economic, environmental, social and cultural goals through advocacy, resource development, and education. The association's current efforts are focused on the development and passage of state enabling legislation for the creation of special assessment or business improvement districts.

Participants were provided with an 86-page manual developed specifically for the workshop entitled, *Implementing Successful Downtown Development, Design and Management Programs: Tools and Techniques for Massachusetts Communities.*

For those interested in obtaining a copy of the manual, please call the EOCD Main Street Program at (617) 727–7180. ■

EOCD/APA Hold Training for Planners

On June 6, the EOCD and the New England Chapter of the American Planning Association (APA) held a day-long training program for student, citizen, consulting and public sector planners titled, "Today's Planners: Different Skills...Common Goals." The program focused on the unique problem planners confront, whereby the public demands more and more impact analysis, coordination and *forethought* prior to making decisions, but still debates whether *planning* is a necessary governmental function.

During the morning session, Stephen Holmes, Commissioner of the Vermont Department of Housing and Community Affairs, discussed the Vermont Comprehensive Planning Law, what it contains and how it was adopted and funded by the state legislature on the first filing. David Starr, publisher of the *Springfield Union* and the *Sunday Republican,* then provided helpful information on how planners can get their plans understood and thereby adopted and implemented by the voters. He used as an example the role his papers played in gaining support for the successful revitalization of the city of Springfield.

Afternoon workshops were divided into tracks for the student, citizen, consulting and public sector planners and were geared to formulating and updating the skills planners need daily. A very popular session was a three-hour training program on developing mediation skills, conducted by Attorneys Edith Netter and Brad Honoroff. Another popular session on how to be an "expert witness" was led by planning consultant Carol Thomas and Attorney Kim Johannessen and included videotapes of courtroom procedures.

Other topics covered included the following: water quality planning; successful local comprehensive planning efforts; new federal environmental mandates; operating a consulting firm in today's soft market; housing and development opportunities resulting from the region's economic problems; incorporating design issues into local planning; being a planner in a "small p" political environment; finding a job in a tight job market; housing strategies for the nineties; and efforts underway in Maine, Vermont, Rhode Island and New Jersey to mandate (or strongly entice) state agency and local government planning. Forty-eight speakers shared their insights with the 150 attendees making for a very full but informative day.

EOCD and APA wish to thank the 16 Massachusetts and Rhode Island organizations that co-sponsored the day with us, thereby helping to get word out about the conference to a very diverse range of planning audiences. ■

Downtown Business Development Workshop Scheduled

Late this summer, the National Main Street Center is offering two days of hands-on training on how to strengthen downtown businesses and recruit new ones to complement a downtown's retail mix. The workshop, *Business Development on Main Street*, will be held in *Hyannis* on *September 6* and *7, 1990*. The workshop is geared to downtown organizations, local officials, community development agencies, chambers of commerce staff, merchants, bankers and downtown property owners. *Main Street Hyannis, Inc.* and the *EOCD Main Street Center* will act as co-hosts for the workshop.

Communities are faced with many issues when it comes to strengthening retail mix, filling vacancies and attracting quality businesses to their downtowns. For instance, how can a community fill large, vacant buildings owned by out-of-town owners? How is the process of recruiting a chain store different from that for an independently owned business? In downtowns with lots of vacancies, who should be involved in recruiting businesses to the downtown—the chamber? municipal government? property owners? realtors?

Business Development on Main Street is designed to help communities find answers to tough questions like these. Taught by instructors with hands-on experience in successful downtown revitalization programs, *Business Development on Main Street* will provide practical instruction in figuring out what businesses a commercial district can support, then developing winning strategies to attract those new businesses and help existing ones become stronger. Among the topics the workshop will explore are:

- assessing the downtown's commercial base;
- developing a leasing program;
- dealing with "problem" leasing issues, (e.g., filling vacant department stores or working with absentee property owners);
- helping existing businesses expand successfully.

The workshop is expected to attract participants from throughout the eastern United States. Registration is $225 for the two-day workshop; communities sending three or more people can register for $150 per person.

The workshop will be held at the Tara Hyannis Hotel & Resort, Hyannis, Massachusetts, on September 6–7, 1990.

For more information or to register, contact the National Main Street Center in Washington, D.C., (202) 673–4219. ■

Growth Management Update

This column is intended to keep readers up-to-date on ongoing growth management projects in which EOCD participates.

- The Special Legislative Commission on Growth and Change has completed a series of ten public meetings across the state. The final meeting was held on May 17 in Pittsfield. The Massachusetts Association of Regional Planning Agencies, with assistance from the Massachusetts Association of Planning Directors, organized each session and recently filed a report with Commission Chair Representative Carmen Buell summarizing the issues raised at each meeting. Representative Buell now intends to proceed with a "drafting subcommittee" to formulate a comprehensive growth management bill to implement the Commission's report and address issues raised through public participation.
- A voluntary inter-organizational effort chaired by David Soule, Executive Director of the Metropolitan Area Planning Council, has been meeting to determine ways to ensure that the Growth Commission's work either becomes law or is implemented through integral steps. Among the groups involved are the American Planning Association, the Massachusetts Association of Regional Planning Agencies, 1000 Friends of Massachusetts and the Massachusetts Association of Planning Directors.
- The Draft Generic Environmental Impact Report (GEIR) on private wastewater treatment facilities was filed with the state MEPA office and followed by a 60-day public review period which ended on July 30, 1990. Two public meetings were held, one in Springfield and one at the EOCD offices in Boston. The final GEIR is now scheduled to be filed by September. It will respond to all public comments and hopefully will be coordinated with the initial recommendations of the Title 5 rewrite committee. The consultant was recently selected for this six-month project. Coordination between this GEIR and Title 5 oversight of conventional septic systems is essential.
- Congratulations to Lowell, the towns in Northern Middlesex County and their regional planning agency (RPA) on becoming the first official Council of Governments (COG) in Massachusetts. As reported earlier in this column, Chapter 420 of the Acts of 1989 enabled the member communities of the Northern Middlesex Area Commission to contract with their RPA for non-planning, municipal management functions. On June 20, 1990, the member municipalities voted to become the Northern Middlesex Council of Governments, effective September 20, 1990. The COG will also continue to serve as an RPA as well.
- The Department of Environmental Protection (DEP) recently enacted new regulations concerning New Water Source Approvals. In order for a water supplier (e.g., city or town) to get DEP approval for a new or expanded water supply, the water source will now have to be protected by a water protection zoning overlay district. If the Zone II (drainage area) of that water source is in more than one community, then the water supplier must successfully pass the needed zoning in its community and try to get the other community(ies) to pass similar zoning overlays. It should be noted that under Chapter 40A, the State Zoning Act, communities have legal standing to file zoning articles at neighboring town meetings.
- DEP has also recently enacted new regulations regarding Surface Waters Classifications. These regulations designate all surface waters as having to meet at least a "B" classification as defined under the Federal Clean Water Act. The "B" classification means that the water is swimmable, and an "A" classification means it is drinkable. No discharges to surface waters will be permitted which would lower the water quality classification (either A or B) at the point of discharge.
- EOCD Deputy Assistant Secretary Kathleen Bartolini has been representing EOCD on the Buzzards Bay National Estuaries Program. On June 29 the Buzzards Bay Implementation Committee held a press conference at the Massachusetts Maritime Academy to announce the first-in-the-nation Comprehensive Conservation Management Plan for Buzzards Bay. This plan was three years in the making, including scientific research conducted on the estuary's water quality and the causes of pollution, especially those causing the closing of shellfish areas. The federal EPA, with state matching funds, will finance a two-year program to establish a process to implement the draft plan's recommendations. The draft plan was reviewed through a series of evening public meetings at town halls throughout the summer. Implementation of the plan will necessitate many local land use regulatory changes.
- Kathleen Bartolini has recently been asked to join a new estuaries planning effort called Massachusetts Bays. The Massachusetts Bays program has been underway, but was just recently selected for inclusion in the National Estuaries Program. This column will continue to update the reader on this project as it progresses and the local and regional land use policies being recommended.
- The Joint Committee on Local Affairs has extended its deadline for executive action on Senate Bill 909 to September 23, 1990. Senate 909, which was reported on extensively in the last issue of IMPACT, is the Local Affairs Committee's bill dealing with the "grandfathering" issue as it applies to Chapter 40A (the state's Zoning Act). The reason for the extension is to allow the grandfathering working group an opportunity to respond to the written report of the Committee. ■

Massachusetts "Buy '90" Homebuyers Fairs Promote Homeownership Opportunities

Opportunities for first-time homebuyers were showcased when the Massachusetts "Buy '90 – Yes You Can" Homebuyers Fairs set up shop at six locations across the state on weekends during the months of May and June.

The fairs were designed to offer interested buyers the opportunity to attend seminars on the basics of buying a home and to meet with lenders, state agencies, builders and realtors to learn about homeownership opportunities in today's real estate market. They focused on affordable properties and financing for first-time and move-up buyers.

"Buy '90 – Yes You Can" was attended by approximately 3,000 interested homebuyers, with people lining up for workshops at each of the fairs. One workshop discussed the importance of financial management and how to resolve credit issues and increase participants' purchasing power. A second took participants through the buying process, step by step, from the initial offer through closing. In the third workshop, Massachusetts Housing Partnership (MHP) and Massachusetts Housing Finance Agency (MHFA) staff explained the various state assistance programs available to qualified low- and moderate-income first-time homebuyers.

Boston area home shoppers inquire about available, affordable properties.

Governor Michael S. Dukakis, who attended the fairs throughout the state, commented at the June 24th Boston fair, "This is a time of real opportunity for people looking to buy a home. As they say in the real estate industry, 'this is a buyer's market,' and these homeownership fairs are a way to take advantage of current conditions so that the dream of homeownership can become a reality for thousands of young families." Dukakis noted, "By bringing together all the parties with an interest in homebuying, we hope to speed up the process of matching potential buyers with available homes and increase homeownership throughout the state."

EOCD Secretary Amy S. Anthony noted that the homeownership fairs were a good way for first-time homebuyers to learn about affordable opportunities in today's market. "These fairs were designed to be a convenient way to take advantage of the opportunities in the current market," she said. "The one-stop shopping gave consumers a chance to compare inventory and lending incentives and provided banks, builders and lenders with a large group of potential customers."

The Buy '90 Homebuyers Campaign was co-sponsored by the Massachusetts Housing Partnership, the Massachusetts Housing Finance Agency, the Public Facilities Department of the City of Boston, the Greater Boston Real Estate Board, the Massachusetts Association of Realtors, the Massachusetts Mortgage Bankers Association, the Homebuilders Association of Massachusetts, the Minority Developers Association and the Massachusetts Affordable Housing Alliance. ■

Governor Dukakis meets prospective homebuyers at June 24th Boston homeownership fair, which attracted a crowd of more than 1300.

EOCD Employee Receives APA Distinguished Leadership Award

In conjunction with the EOCD/ New England Chapter of the American Planning Association jointly sponsored conference, "Today's Planner," the APA held its annual Chapter Awards program. This year awards were presented in the following categories:

Distinguished Planning Programs

Outstanding Student Projects

Outstanding Media Coverage of Planning

Distinguished Leadership Awards

EOCD is pleased to report that once again a staff member from the Office of Local and Regional Planning won one of the Distinguished Leadership Awards. Land Use Specialist Donald Schmidt was recognized as "a professional planner who has made noteworthy contributions to the field of planning over a sustained period." In particular he was cited for authoring the monthly *Land Use Manager* publication and for his recent report, *ANR: Approval Not Required,* as well as his daily expertise on the zoning and subdivision telephone "hot line" at EOCD. As the award presenter noted, "he truly is the 'zoning czar' of Massachusetts."

Other recipients included:

Distinguished Planning Programs:

- McGinley, Hart & Associates for their report, *Project Conservator for the Central Artery/Third Harbor Tunnel Project.*
- City of Providence & the Traveler's Aid Society for their Downtown Multi-Service Center for the Elderly.

Outstanding Student Projects:

- Boston University—Kimberly Noake for the Cape Cod Aquifier Management Project—*Guide to Contamination Sources for Wellhead Protection.*
- University of Rhode Island— Graduate Studio for the *Hidden River: A Land Use and Environmental Study for the Running River Watershed.*

Donald Schmidt receives Distinguished Leadership Award, presented by Kathy Bartolini of EOCD , an officer in the New England Chapter of APA.

Outstanding Media Coverage of Planning:

- *Berkshire Eagle*—Daniel Pearle for the series, "Fighting Sprawl."
- *Greenfield Recorder*—Michael Terreault for the series, "For Decades to Come."

Distinguished Leadership Awards:

- Donald Schmidt—"Professional Planner"
- Representative Carmen Buell, Chairman, Massachusetts Special Legislative Commission on Growth and Change—"Elected Official"
- Elizabeth Kline, Assistant Secretary, Executive Office of Environmental Affairs—"Helping Women Advance in the Field of Planning" ■

CEDAC Co-Sponsors Workshop on Acquiring Housing Threatened by Expiring Use Restrictions

The Community Economic Development Assistance Corporation (CEDAC) will be cosponsoring, with the National Housing Law Project, a national workshop on preserving the nation's federally subsidized housing stock which is at risk due to expiring use restrictions. The workshop is designed for Legal Services lawyers, community development corporations, nonprofit housing developers, state and local officials and other housing advocates.

There will be two independent but related parts, and participants may register for either or both. Part I, on October 17, presents a general overview of housing development and finance; and Part II focuses on the specifics of acquiring at-risk, federally subsidized housing. Particular emphasis is on the legislative changes which will be enacted to replace the current federal law which expires September 30, 1990. The Workshop will be held at the Sheraton Tara in Danvers, Mass., October 17–19, 1990. For information, contact CEDAC at (617) 727–0506.

[Note: CEDAC is a quasi-public Massachusetts corporation that makes loans without interest and provides technical assistance to community-based nonprofit organizations. CEDAC is supported, in part, by Massachusetts Housing Partnership funds and by a grant from EOCD's CEED program.] ■

Call 1-800-392-6445 for information

Fitchburg Project Wins National Award

What do a turn-of-the century Finnish union/socialist club, an Elks club, and a residence for pregnant and parenting adolescents between the ages of 14 and 20 all have in common? If you lived in Fitchburg you might know that they have all been located in the same building.

Now known as the Rollstone House, the building (formerly known as Saima Hall) was constructed with volunteer labor in 1905 by a Finnish socialist group. It later housed an Elks club and was used for other local group activities before becoming vacant. The building was initially identified as a potential Rental Rehab project in 1985 during a field visit by EOCD's Small Cities/Rental Rehab staff. At the time, the structure was being considered for demolition. The building had been abandoned for about seven years and was deteriorating and continually being vandalized.

Although it required more than two years of planning, the project which evolved has transformed this decaying property into a residence for pregnant and parenting teens.

The project was recently selected by the National Community Development Association (NCDA) for an Audrey Nelson Community Development Achievement award. Rollstone House was one of three nationwide winners chosen by the NCDA for outstanding contribution to the improvement of the physical, economic and social conditions of low-income citizens. The award was presented by members of Congress at the NCDA's Annual Congressional Breakfast.

Following the awards ceremony, Congressman Richard Neal made the following remarks in an address before the House of Representatives: "The entire neighborhood has benefitted from a $1 million restoration. Without the availability of CDBG dollars, and the strong support of the local, state and federal governments, this project could not have become a reality. Many lives which will become enriched through this project, would not have become so without this country's affordable housing agenda."

Rollstone House

Through what was truly a collaborative effort involving federal, state, and local government, and private and non-profit organization resources, the project addressed both teen pregnancy and affordable housing issues. Financing for the million dollar project was provided from the Shawmut Worcester County National Bank, the City of Fitchburg, the Massachusetts Community Development Finance Corporation, the Worcester Community Loan Fund, the Community Development Block Grant Program, and the EOCD-funded Energy Program of the Montachusets Opportunity Council, among others.

An EOCD Rental Rehabilitation Program (RRP) ten-year deferred payment loan was one of the final pieces of the complex financing plan. Although a relatively modest amount of the total rehabilitation cost, according to a Fitchburg official, "it was critical to the project's success." This commitment of RRP funds followed a year-long effort to raise the necessary financing and allowed for the upgrading and replacement of several major building systems.

Old Hall Converted Into Much-Needed Home

Rollstone House is a project managed by a partnership of the Community Development Corporation (CDC) of Fitchburg and Catholic Charities which provides safe, affordable housing for pregnant and parenting young women, along with social support services. There are 12 apartments in the building, one for each family living there. This assures that residents have privacy and develop a sense of family strength. It is the largest and most comprehensive project of its type in the state.

During their stay at Rollstone, the young women receive counseling, emotional support, nutrition education, and parenting skills training. The center also provides supervised child care as a way to encourage the young women to continue in school and pursue a career. Leasa Davis Segura, executive director of the Fitchburg CDC, says, "During their stay, residents receive support services to unlearn counter-productive behavorial patterns and .plan for a new, healthier life."

"This project was a true partnership," said Mayor Jeffrey Bean of the program. The mayor said the program is unique in that it brought together government, business and social service groups to rehabilitate the building and open the center. "It meets a growing need in the community," he said.

City Planning Coordinator Timothy Stewart comments, "I'm extremely pleased with this award. This is good for Rollstone House and it is good for the city." ■

Municipal Insurance— Suggestions on How To Improve Local Administration

TRAINING & TECHNICAL ASSISTANCE

Municipal insurance is one of the unavoidable costs associated with providing local government services, and is often considered to be an uncontrollable cost.

EOCD's Incentive Aid Program funded a number of projects which focused on municipal insurance and risk analysis. The reports from these projects indicate that there are many changes that municipalities can make to improve the administration of their risk management programs. Such changes should help control insurance costs. We have extracted those recommendations made by the projects' consultants which should prove most useful to other local officials as they consider their risk management opportunities.

The information presented here is intended to provide suggestions and guidance for municipalities. Much of the information provided has general application; municipal officials are encouraged to consult their insurance advisor for specific guidance appropriate to their situation.

Risk Management

It is important to develop a risk management philosophy and policy statement prior to implementing a risk program. This assures a consistent approach and optimal protection against catastrophic loss and maximizes cost effectiveness.

The term "risk management" in this article refers to the practice and method of minimizing the adverse effects of financial loss to municipalities from suits related to personal injury, property damage or liability.

The objective of risk management is to:

- continually investigate risk of loss;
- decide on various alternative methods of providing protection against financial injury arising out of risk; and
- constantly monitor the established risk management program and possible alternatives to ensure continuing effectiveness.

The process of risk management involves the avoidance, control, elimination, reduction or transfer of risk. The four elements in any comprehensive risk management program for a municipality are as follows:

- Centralized accumulation and dissemination of risk information;
- A decision-making process which involves determining
  - which risk should be assumed by the municipality
  - which risk should be insured (transferred to the insurance company), and
  - to what extent the municipality should insure;
- Loss reduction through timely implementation of loss prevention measures, such as
  - recommendations made by the municipality's insurance carrier
  - education of employees in work site safety; and
- Intelligent and economical purchase of insurance found to be necessary.

Boilerplate insurance policies do not address the complex risk exposures of municipalities. Policies need to be custom designed to meet the conditions of each city, town or municipal district. Specific attention should be paid to each term and condition of every policy.

Self Insurance Option

Self insurance is a common method of addressing risk. One way to self insure is to utilize deductibles. Factors to consider in evaluating deductibles and deciding the extent to which your municipality may want to self insure are as follows:

- Current funding for anticipated loss;
- Cash flow of the municipality; and
- Availability of short and long-term financing.

It is possible that a municipality could pay out more in deductibles than the amount saved in premiums. On the other hand, even without the deductibles, the municipality would eventually pay for higher than expected losses, since the insurance company would demand a larger premium in future years, based on claim experience.

With or without insurance, sooner or later you pay for your losses. Through the purchase of insurance, the cost is spread over a longer period of time, but the insurance company's overhead, profit, and taxes are included. In instances where no insurance is purchased but substantial risk exists, it is difficult to measure the premium savings. Remember that risk, whether substantial or minimal, does exist and a formal plan for funding the potential loss should be established. The reason for insurance is to avoid large "budget wrecking" liability or other loss payments in any one year.

Insurance Carrier Loss Prevention Recommendations

An insurance carrier often makes recommendations to a municipality on how to reduce risk. Although it may be difficult to ensure that such recommendations are carried out community-wide, failure to implement loss prevention measures may result in increased premiums or the company refusing to continue insuring the municipality.

However, if capital outlay costs or some other requirement would make implementation impossible or impractical, the community should explain why the recommendation cannot be implemented and work with the insurance carrier to identify workable alternatives.

Workers Compensation

Municipalities should examine their workers compensation experience regularly, perhaps quarterly. The categorized claims and the reasons for losses should be reviewed with the carrier to eliminate, wherever possible, specific hazards. By establishing a formal loss prevention procedure, eliminating physical hazards, and educating employees to consider safety first, a municipality should realize a reduction in its experience modification factor and premium costs.

Reviewing findings with the carrier prior to the carrier reporting to the Insurance Rating Bureau will help to avoid incorrect experience factors being assigned. The review should take place

during the fifth month following the policy expiration date since the insurance companies have 120 days in which to report on your claim experience. You should also request a copy of the municipality's experience rating modification calculation as a routine matter, so that its accuracy can be determined. Municipalities should question and dispute any claim which does not seem reasonable and debate the reserve value on open cases if they are believed to be incorrect.

Centralize Risk Management Functions

All municipal insurance policies should be negotiated by one individual responsible for internal insurance affairs (e.g., town manager or other full-time manager), not by individual department heads. Centralization of the risk management and insurance function should assure that there is no duplication of coverage and corresponding waste of dollars.

If it is not feasible for the selectmen or mayor to delegate this responsibility to one individual, they could consider appointing an insurance committee. However, in general, insurance committees are not as efficient as one employee responsible for these decisions.

In addition, working with an independent insurance advisor will help eliminate purchasing unnecessary insurance, thus keeping the town's insurance program current and cost-effective.

Access to Insurance Policies

It is recommended that the municiality obtain duplicate copies of each policy from the insurance carrier (or make an extra copy), one for the town clerk and a working copy to be kept in the insurance administrator's office for easy access and reference. Be sure that the municipality has all of its policies and all of the attachments.

Suggested Procedures for Insurance Administrator

The insurance administrator should ensure that all information flows from the various departments to his or her office on a regular basis. Also, information needed by department heads should be disseminated on a regular basis in a standardized format and should include the following:

- Instructions on proper procedures for reporting claims and losses;
- Guidelines regarding risk management; and
- Procedures for reporting
  - acquisition of new or leased property,
  - changes in operations, and
  - similar related matters which may affect the municipality's risk management program.

Maintaining Records of Loss

Maintenance of a "loss register" listing all losses, their dollar value and where they occurred is strongly recommended. This information is necessary to implement an effective risk avoidance effort.

Multiple Insurance Agents

All of the consultant reports recommend providing all insurance coverage through a single insurance source. If no single insurance company is fully aware of the municipality's insurance program, then no single agency can be held accountable for any uninsured exposure. Also, when several agencies have pieces of the pie, there may not be sufficient financial incentive to pay careful attention to the part they cover.

Loss Caused by Acts of Third Parties

Independent contractors performing snow plowing, rubbish collection, school bus service, etc., may expose the municipality to a suit by a party injured by that contractor. If unable to recover damages from the contractor for injury or property damage, the injured party may file suit against the municipality. There is also the possibility of an employee of a contractor or subcontractor suing for injury while on municipal premises.

All contractors or companies providing municipal services should be required to hold the municipality harmless from any and all claims arising from all activities performed under their agreements. A certificate of insurance in favor of the municipality should be required of all contractors. This may eliminate some small contractors from providing service to the municipality. If the municipality wishes to do business with a contractor in spite of the absence of sufficient insurance, officials should be fully aware of the risk exposure they face.

Time Frame on Notice of Cancellation or Change of Coverage

Insurance carriers should be asked to issue an endorsement providing at least 60 to 90 days' advance written notice of cancellation, intention not to renew, or material change in coverage. The insurance carrier should be informed that this notice should be sent by registered mail to the insurance administrator. This is important because even if the municipality has an excellent loss history, insurance companies sometimes cancel contracts or refuse to renew for no apparent reason.

Property Insurance Coverages

Property insurance policies should provide coverage for all real and personal property owned by the municipality, or for which the municipality is responsible through contract or otherwise. The "Schedule of Property Included" and the "Statement of Value" forms should only be included in the policy for rating or pricing purposes and have no bearing on the insurance coverage. The "Statement of Value" should not be attached and made part of the policy because it could create controversy in the event the actual replacement cost of the property significantly exceeds the amount indicated on the "Statement of Value" form. Many insurance companies include this form as part of the policy. One consultant recommends that an endorsement be secured which specifically states the following:

> "It is understood and agreed that the 'Statement of Value' form attached to and made part of this policy is used for rating purposes only and has no application to any loss adjustment."

Municipal Insurance – Continued on page 12

Leonard Adams
Government Documents Collection
University Library
University of Massachusetts
Amherst, MA 01003

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Executive Office of Communities and Development
100 Cambridge Street
Boston, Massachusetts 02202

Municipal Insurance – Continued from page 11

Require Regular Statements of Loss

The municipality should include a requirement in the bid specification for the carrier to issue statements of loss on a quarterly basis for all lines of insurance in order to judge effectiveness of loss prevention activities, the effectiveness of claims handling, and the fairness of insurance premiums. Loss statistics for open or reserved cases should be carried forward until conclusion is made.

Identify One Individual Responsible for Loss Reporting

All insurance policies contain a loss reporting clause which specifies that notice of loss should be given to the insurance company when an insured becomes aware of a loss or potential loss. All loss reporting clauses should be amended to include wording which requires the municipality to report to the insurance company only when a loss or possible loss has been reported to a particular person in the municipality, e.g., the insurance administrator. Some municipalities have been held in violation of the contract agreement for failure to report an incident even when management was unaware of that incident.

Errors and Omissions Made at the Time of Insuring

It is unrealistic to assume that any one individual or department can be aware of all possible eventualities. Due to the complexity and multi-faceted nature of municipal business, several of the studies recommended the following language to provide for unintentional errors or omissions at the time of insuring:

> "It is agreed that in the event of an error or failure to disclose all hazards at the inception of this policy or during the policy term, or to comply with any provision of this policy, that coverage afforded by this policy shall not be prejudiced, provided such error or omission is not intentional."

Single Expiration Date for All Policies

It is easier to administer an insurance program if there is one expiration date for all policies. The municipality should select a date and request that the broker set all policies to that date. Policies should be bid on a multi-year basis to promote coverage and broker/insurer service stability. In a tight insurance market, it is desirable for a municipality to avoid annual competitive bid situations. Annual bidding may result in no quotes being returned or wildly fluctuating premiums.

A more detailed report on the results of these Incentive Aid funded studies is also available upon request. For more information, contact Ann Whittaker, Senior Municipal Management Officer, 727–3253 or 1–800–392–6445. ■

MUNICIPAL
Impact

October **Executive Office of Communities and Development** **1990**

Michael S. Dukakis, Governor | Amy S. Anthony, Secretary | James R. Malone, Assistant Secretary, Municipal Division

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EDSA Funds Franklin County Incubator

In the early 1980s, when large manufacturing corporations were leaving the state in large numbers, economic developers in rural areas looked for model efforts to develop local businesses that would provide stable employment. At the time, the small business "incubator" model was just becoming popular nationally. These "incubators" utilize large industrial buildings, subdivided into rentable spaces of a few thousand square feet, and provide a variety of business support services.

The Franklin County Community Development Corporation (CDC) asked the federally funded Economic Development Set-Aside (EDSA) Program within EOCD to participate as a lender for a small business incubator in Franklin County. As a result, a $310,000 loan was made to the CDC, the owner/manager of the incubator, to purchase and rehabilitate a 30,000 square foot building in Greenfield. EOCD's Small Cities General Fund Program ($150,000 grant) and the Massachusetts Government Land Bank ($325,000 loan) also participated in the acquisition and rehabilitation of the building, and $135,000 in equity was raised by the CDC.

The EDSA and General Fund monies were made available based on the projection that jobs would be created for low- and moderate-income residents in the area.

Tim Coleman, Coleman Furniture and Design, at work at the Franklin County Venture Center.

Venture Center provides flexible space and support services

The incubator, incorporated as the Venture Center of Franklin County, provides some very attractive options for small businesses in the county looking to move from space at home or other cramped quarters into more flexible space. The Venture Center has space available for 13 companies in allocations of 900 to 5,000 square feet. What is most unique is the support available to tenants, including administrative services such as telephone answering, typing, and meeting space; and development services, including assistance with business planning and operations. These services are often the difference between a business making it or falling by the wayside.

The Venture Center, officially opened on October 16, 1989, has already attracted a large number of tenants. Eight leases are signed and eight businesses are in place. These businesses include a specialized mail service, newspaper shredding for animal bedding, a small woodworking shop and a materials science testing lab.

Over the last year, these businesses have created 10 full-time equivalent jobs. Ninety percent of the positions have benefited low- and moderate-income area residents. In the next several years, as tenancy increases, it is expected that many more jobs will be created.

Most of the small businesses located in the Venture Center have outgrown garages and basements of homes. The Venture Center has created a secure,

EDSA Funds– Continued on page 2

From the Desk of Amy Anthony

Dear Reader,

As you know, home prices in many Massachusetts cities and towns are lower than they have been in recent years, and many lenders now are offering favorable mortgage terms and financing incentives to prospective buyers. These opportunities were highlighted by our successful series of homebuyer fairs in the spring, at which potential homebuyers had an opportunity to easily meet with lenders, brokers and builders. The enthusiastic response has resulted in the scheduling of another series of fairs this fall.

The fall housing fairs are being held on Saturdays in October and November at the following four locations:

October 13	Cape Cod Fair, Cape Cod Community College, Barnstable
October 27	Metropolitan Boston Fair, Park Plaza Castle, Boston
November 3	Merrimack Valley Fair, Sheraton Andover
November 17	South Shore Fair, Sheraton Tara, Braintree

Admission is free. At each fair up to 50 lenders, brokers and builders are providing information on attractive, affordable homes for sale; favorable mortgage terms; and special programs for first-time homebuyers.

In addition, workshops are being offered on Credit Awareness, How to Buy a Home, and State Resources for First-Time Homebuyers.

The statewide co-sponsors of the "BUY '90" fall housing fairs include the Executive Office of Communities and Development, Massachusetts Housing Partnership, Massachusetts Housing Finance Agency, Massachusetts Association of Realtors, Massachusetts Mortgage Bankers Association and the Home Builders Association of Massachusetts.

Your help is needed to help publicize these fairs to would-be homebuyers. The assistance of municipalities, local agencies and networks in publicizing the opportunities available at these fairs was critical to the success of the spring series.

Be sure to put these fairs on your calendar! If you need more information please call the Massachusetts Housing Partnership, (617) 727–7824.

Sincerely,

Amy S. Anthony

Amy S. Anthony

EDSA Funds– Continued from page 1

affordable environment where they can both expand and incorporate good business practices. The firms find that the services offered by the incubator, including shared administrative services and business development counseling, are key to their long-term survival. But of great surprise to most of these entrepreneurs is how much they've enjoyed the informal sharing of advice among the tenants and the companionship as they proceed on the long road to building a business. ■

David Weiss, EDSA Coordinator, and Gerry Joseph, Franklin County Community Development Corporation Executive Director, at Venture Center grand opening.

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Home Rule Charter Activity

The voters of Falmouth and Provincetown adopted home rule charters this past spring. The *Falmouth* charter contains the following features: a board of selectmen of five members; creation of a town administrator position; residency requirement for the administrator (may be waived by board of selectmen); annual evaluation of the administrator by the board; preparation of a capital improvement plan; and referendum and recall provisions. The charter also eliminates the board of public works, transferring its powers and duties to the board of selectmen.

The *Provincetown* charter is a revision of the charter adopted by the town's voters in 1973; the 1990 version retains the five-member board of selectmen and town manager, and creates several new appointed boards — a building committee, personnel board, and water and sewer board. An appointed licensing board is also established to assume the duties related to business license issuance, formerly performed by the selectmen. This is the first instance of a separate licensing authority being created through the home rule charter procedure. Another unusual feature is the creation of a new elected entity, the charter enforcement commission. The commission's role is to determine if charter provisions have been violated by the town's elected and appointed officials. The charter also establishes residency requirements for the town manager, police chief, fire chief, board of fire engineers, and public works director.

These two charters support a trend of charter adoption activity in the Cape Cod region of the state. Since 1983, the towns of Barnstable, Harwich, Orleans and Wellfleet have also accepted the recommendation of charter commissions. At the annual town election this year, Eastham's voters elected a commission to prepare a charter proposal.

The Home Rule Amendment to the state's constitution grants cities and towns the power to adopt and revise their own charters. Upon petition of fifteen percent (15%) of the voters, a municipality may vote to frame a charter, and elect a nine-member commission to prepare a charter proposal. Since passage of the amendment in 1966, 64 communities have followed this process to adopt a charter. Several communities, including Barnstable, Hudson, Billerica, Methuen and Provincetown, have adopted more than one charter.

Additional information on home rule charter preparation is available from Marilyn Contreas, Municipal Policy Analyst, EOCD's Division of Municipal Development, 100 Cambridge Street, Boston, MA 02202, telephone (617) 727–3253. ■

Two Municipal Management Training Events Scheduled

Building a Better Budget — A Conference for Small Towns is the theme for a day-long conference for officials from Massachusetts municipalities under 10,000 in population. The conference, co-sponsored by the Small Town Administrators of Massachusetts and the Division of Municipal Development's Planning and Management Office, will be held Saturday, November 10, in Northampton.

A theme stressed throughout the day will be the importance of boards and committees working cooperatively to achieve the common goal of a better budget. The following four workshops will follow a keynote address: "Whose Budget Is It?," "Developing a Budget," "Town Meeting," and "Overrides and Debt Exclusions."

The cost of the conference has been reduced to $10 to encourage participation by several people from each municipality. For more information, contact Ann Whittaker, EOCD Municipal Management Specialist, (617) 727–3253, or 1 (800) 392–6445.

Improving Quality While Decreasing Costs for Massachusetts Cities and Towns is a full-day conference designed to present municipal officials and managers with an alternative to traditional cut-back management called "total quality management." Now is a good opportunity for local officials to look ahead and plan for the future, despite the fiscal constraints municipalities are presently facing.

Quality management is a process which has been used successfully by the business community to control costs and improve productivity. Examples have been developed to show that the process works in the municipal sector as well. F. Joseph Sennsenbrenner, former Mayor of Madison, Wisconsin, and now a public sector quality consultant, will make two presentations. The first is "Quality in the Community: One City's Experience," and the second is "The Municipal Quality Imperative: Why You Should Do It Too." Paul Susseman, Deputy Director of Human Development for the New York City Department of Sanitation, will discuss "The New York City Quality Story." Both speakers have specific examples which could be applicable to your community. Panel sessions will focus on success stories from the public sector (in Massachusetts and elsewhere), and will include quality management tools and resources, and audience interaction.

Mayors, selectmen, finance and school committee members, and administrators of municipal hospitals are encouraged to attend.

The conference is being co-sponsored by EOCD's Planning and Management Office, the Massachusetts Community College System, and the Donahue Institute for Governmental Services, U. Mass-Amherst. It will be held on Saturday, October 27, at Quinsigamond Community College in Worcester. The conference fee of $50 covers materials, lunch and the full-day conference. The conference coordinator is The Center for Business and Industry at Northern Essex Community College. Please contact the Center, (508) 374–3816, for additional information. ■

Tisbury Senior Center Ready for Construction

The town of Tisbury on Martha's Vineyard is about to break ground for the Tisbury Senior Center as a result of a $300,000 community facilities grant from EOCD under the Massachusetts Small Cities Program, matched by $300,000 appropriated at town meeting. Other funding for the project comes from the Friends of the Council on Aging which has raised $7,000 thus far, and the permanent Endowment Fund for Martha's Vineyard which has donated $10,000. Tisbury is one of nine communities which received a federally funded Small Cities grant, through a special round of funding for community facilities and infrastructure projects in 1989, most of which are now entering the construction phase.

The Tisbury Senior Center will be located on Pine Tree Road, tucked back 300 feet from the road, facing south in the shade of a large oak tree. The L-shaped building will have a large library, sitting room, dining hall, commercial kitchen, two offices, handicap-access restroom facilities, storage rooms, and a full basement. "We've kept it at a very reasonable size," explained Niels Gabel-Jorgensen, the Senior Center architect. "Since it sits in a residential area, we didn't want the building to grow too imposing. I think that we've come up with a very workable plan."

The Center is seen as a high priority by the Tisbury Council on Aging and for the town's elder community, which represents more than 21 percent of the population. The Council on Aging presently has its office in the town hall annex, and rents other space for the organization's activities and for the nutrition program of Elder Services of Cape Cod and the Islands, Inc.

"The senior center project would not have been possible without the high level of community input demonstrated by several volunteer groups," according to Laurie White of the Martha's Vineyard Commission, who is administering the grant on behalf of the town of Tisbury. "We are especially grateful to the Council on Aging Building Committee," explained White. "For no pay these people have generously given their valuable time and effort at meetings, sometimes several times a week, for the greater good of the community." White added, "All of the volunteer groups involved with this project have been an invaluable resource to the community and have done an outstanding job."

The contract award for construction was made in September with groundbreaking expected shortly. The building is scheduled for completion in March. ■

Tisbury Senior Center (drawing by Niels Gabel-Jorgensen Architects, Inc.)

Municipal Energy Conservation Improvements Available

A groundbreaking agreement among the Massachusetts Department of Public Utilities (DPU), several consumer advocacy groups, and electric utility companies in Massachusetts is reaping substantial financial benefits for cities and towns. Under this agreement, the Massachusetts DPU will set rates for electric utilities that will allow them to implement energy conservation measures for their consumers. This is similar to the way in which the electric utilities' rates are approved for investing in new electric generating plants. The concept is that through energy conservation, consumers use less electricity; thus, the utility company uses less fuel to generate the electricity. In this way, the electric company has more electricity available and at a lower cost than by building new power plants. Buying energy efficiency is cheaper than purchasing other forms of energy supply such as through new construction.

utilities support municipal energy efficiency

So what does this all mean for cities and towns? Each of the participating electric utilities will provide cost effective energy conservation improvements to municipalities, almost always at no cost to local governments. At a minimum, this can mean new lighting fixtures or improvements to existing fluorescent lighting fixtures, new or improved HVAC equipment, and numerous other possible improvements for consumers using electric heat.

Boston Edison, one of the first utilities involved in this new approach, is now working with many cities and towns on conservation improvements. Arlington is an impressive case study. The town improved the energy efficiency in 20 town buildings, including 12 school buildings. Improvements included optical reflectors and more

efficient ballasts in the fluorescent lighting fixtures and new controls in the HVAC system. The total cost for all the improvements was $350,000, with the utility company recapturing 1.4 million kilowatt-hours (KWH) of energy, and with an annual reduction in energy costs of $116,000. Newton is now working on its school buildings which are expected to save 3.6 million KWH per year. When the schools are complete, the city will undertake work on the 55 other city buildings.

Each participating utility company is involved in identifying cost-effective improvements in energy conservation for all classes of consumers it serves, including small and large industrial and commercial users and several classes of residential consumers. These efforts go well beyond the audit programs of the past decade to extensive and costly energy improvements, at no cost or at greatly reduced costs to consumers.

There are a range of energy conservation programs being provided by the participating utility companies. Municipalities may want to encourage residents, local industries, downtown businesses and local non-profits to investigate what energy saving measures may be available to benefit them. Given the current economic conditions and the burgeoning cost of energy, these programs are very timely. Also, similar conservation programs with gas utility companies are on the drawing board; municipalities with high gas consumption should keep alert for these opportunities.

If you would like more information, please contact:

- Boston Edison, *Steve Murphy* 617–424–3377
- Mass. Electric, *Matt Sanders* 508–366–9011
- Western Mass. Electric, *Bob Gates* 413–787–9166
- ComElectric, *Bob Fratto* 800–642–7030
- Eastern Edison, *Bob Moran* 508–580–1213
- Nantucket Electric
- Fitchburg Gas and Electric

■

Downtown Main Street Directors at Business Development workshop: Ginny Bissig of Franklin, Ned Keefe of Chelsea, Nan Stevens of Martinsburg, West Virginia.

Business Development Workshop Held in Hyannis

During the past several decades, downtown commercial districts in Massachusetts and across the country have gone through a staggering economic transition. Once the community's primary, if not only, source of retail goods and services, many traditional downtown commercial districts have suffered from the effects of increased competition brought on by changing residential patterns and market dynamics. Current declining economic conditions have further exacerbated the problems faced by community leaders and the business community in revitalizing their downtown's economy.

Business Development on Main Street was the focus of a two-day workshop held in Hyannis on September 6th and 7th. The workshop was jointly sponsored by the National Main Street Center (part of the National Trust for Historic Preservation), EOCD's Main Street Program, and Main Street Hyannis, Inc. (the local downtown organization partially funded by EOCD). The workshop was conducted by Hilary Greenberg, principal of Greenberg Development Services, and Todd Brian of the National Main Street Center. The workshop attracted downtown business leaders and local officials from Massachusetts, Rhode Island, Pennsylvania, Indiana and West Virginia.

Some tough questions were posed to participants: What is the downtown's current economic position? Where does the community want the downtown to be in five years? — Ten years? What types of businesses can the downtown realistically support right now? How is the local market changing, and how might these changes affect the types of businesses the downtown is likely to be able to support a decade from now? What kind of community values guide the business development process? Ultimately, the answers to these questions must come from the community itself.

The workshop provided community and business leaders with a process designed to help them determine their business development priorities, then structure realistic strategies to strengthen and expand existing businesses and, over time, recruit new ones. Topics included market information/assessing the commercial base, developing a retail leasing plan, marketing downtown real estate, strengthening downtown businesses, and dealing with difficult leasing issues.

An important theme of the workshop was that downtown business development involves the management of change. The process is incremental, with small changes gradually building to larger ones. It is an ongoing task. As the market changes, and as the downtown responds to these shifts, its business composition will change as well. Downtown evolves as the town itself evolves and should always reflect the opportunities, dreams and individual character of the community. ■

River Plan Outlines Management Strategy

The Deerfield River runs for 44 miles from the Vermont border to the Connecticut River. Its basin encompasses the mostly rural communities of Franklin County, an area with little commercial and industrial development. The river is home, however, to eight hydroelectric facilities, six of which are due for relicensing in 1993. Concerned by the lack of information and long-range planning for the river, the Franklin County Planning Department initiated a broad-based study of the Deerfield River in order to document and formalize a plan for the river's future and to provide community-based information for the federal licensing process.

Awarded a $40,000 EOCD Strategic Planning grant in the summer of 1989, county planners, working with members of the Deerfield River Watershed Association and a variety of river interests, launched a comprehensive planning process. Importantly, the group included funding ($10,000) and support from the two utility companies which operate the six facilities. The citizens advisory committee for the project started by identifying the corridor boundaries, the plan components and the project objectives.

After an initial data collection and mapping phase, the advisory committee established seven goals for the plan. In order of importance, they are:

1. Improve and protect water quality throughout the river basin.
2. Protect open space within the river basin in order to protect habitat and the rural character of the communities.
3. Manage the river for multiple uses, including hydropower and recreation, in a manner which wherever possible enhances the existing ecosystem, and/or at least minimizes the negative impact on that ecosystem.
4. Establish Deerfield River Compact to work with communities to implement the plan, ensure compatible zoning and review developments with a regional impact.

Deerfield River Valley (photo – Charles Olchowski)

5. Guide residential, commercial, and industrial development through zoning and other appropriate measures to protect resources and to ensure that new development does not exceed infrastructure capacity of towns.
6. Increase recreational use of all types and provide appropriate facilities for these uses.
7. Enhance fisheries throughout the river.

The seven goals reflect basic agreement by the committee that minimum stream flow adequate to support fisheries, recreation and energy production are critical to the future of the river. This is particularly important when considering the relicensing of hydropower facilities that need to dam the river to produce electricity.

The detailed data and mapping coupled with the goals and objectives led to a series of specific recommendations for action and identified "actors" and timeframes for accomplishment. The recommendations propose implementation of the goals through local, regional, state and federal agencies and organizations. Implementation actions include:

- identifying pollution sources
- identifying riverbank stabilization techniques
- directing growth away from sensitive areas
- encouraging railroad and utility company conservation restrictions
- review of power company licensing studies
- educating the public about the plan and its goals
- identifying swimming areas, and
- installing passages on fish dams.

A primary implementation recommendation is the formation of a regional group to oversee progress of the plan, coordinate with similar efforts upstream in Vermont, and contribute to the licensing process. The recommended organization has been formed as the Deerfield River Compact and began meeting officially in July. This association of towns and organizations will work to enhance the condition of the river and carry out the goals and objectives of the plan.

In addition to its role in the general management of the Deerfield River, the plan, in conjunction with studies underway by the utility companies, may serve as the baseline management programwhich guides the relicensing process at the federal level. The plan will be considered for adoption by the Massachusetts Water Resources Commission, a requirement for standing in the federal process,

sometime this fall.

State agency adoption of the plan as the accepted management program for the river will add another measure of importance to an effort already shaped by cooperating local and regional interests. Further details concerning the Deerfield River Comprehensive Management Plan may be obtained by contacting the Franklin County Planning Department, (413) 774–3167, or EOCD's Office of Planning and Management, (617) 727–3197. ■

Training Held on "Plans, Permits and Procedures"

Plans, Permits and *Procedures* was the theme for the 76th annual conference of the Massachusetts Federation of Planning Boards held in Marlborough on Saturday, October 13. This year's programming was unique in that the American Planning Association (APA) and EOCD's Planning and Management Office joined forces with the Federation to provide an informative training program for local zoning boards of appeals and local planning boards.

EOCD speakers included Don Schmidt, Chief Land Use Planner, who highlighted recent court decisions and legislative actions relative to zoning law and their interpretation and implementation; and Kathleen Bartolini, Deputy Assistant Secretary, who chaired a panel on recent state agency regulatory changes that now require or enable local plan components (e.g., EOCD's Local Certified Housing Plans, EOTC's curb cut permits and DEP's Wellhead Protection Regulations and New Source Approvals). Arlene O'Donnell, Assistant Commissioner, Bureau of Resource Protection at DEP, and Thomas McLaughlin, Director of the Public/Private Development Unit at the Massachusetts Department of Public Works, participated on the panel with Bartolini.

The third EOCD speaker was Mark Siegenthaler, Land Use Policy Analyst, who chaired "How to Select and Work with a Consultant (Getting the Most for Your Money)." Assisting him conduct this panel were Frederick Taintor, AICP, Senior Planner at I.E.P., Inc. in Northboro, and the Town Planner of Northboro, Kathryn Joubert.

Most speakers are members of APA who volunteered their services to the Massachusetts Federation of Planning and Appeals Boards to improve coordination between the two planning organizations.

The remaining afternoon workshops were as follows:

- Defining Comprehensive Master and Strategic Plans
- Chapter 774 – The Comprehensive Permit Process
- The Site Plan Review Process and the Special Permit

Feedback from the local boards concerning program content was excellent, and everyone agreed that more joint program efforts should be undertaken by the Federation, APA and EOCD to provide professional assistance to citizen volunteer boards. ■

Growth Management Update

This column is intended to keep readers up-to-date on ongoing growth management issues and projects in which EOCD participates.

- The draft Generic Environmental Impact Report (GEIR) on the use of private wastewater treatment facilities (PWTF) has been found by EOEA Secretary John DeVillars to "adequately and properly comply with the Massachusetts Environmental Policy Act." However, since there were over 500 written comments submitted about the GEIR findings and recommended policy positions, the secretary incorporated all the comments into his certificate and directed the Sponsors Group (on which EOCD is one of several state agencies) to address them in the final GEIR.
- The Sponsors Group met twice in September to review comment summaries prepared by the Metropolitan Area Planning Council, which is providing staff support to the group. At the time this column was written, there was major discussion concerning reversing the proposed policy articulated in the draft GEIR, thereby prohibiting treatment facilities in many resource areas (e.g., Zone II drainage areas, floodplains, areas of critical environmental concern, bordering vegetated wetlands, and watersheds for surface water supplies). Others favored the draft policy as published, arguing that the technology is generally preferable to septic systems in these resource areas due to the degree the effluent is treated prior to discharge; and, therefore, a site-by-site analysis is needed, not an across-the-board prohibition. As a result of these issues, the date for filing the final GEIR is expected to be moved to November.
- As a member of the Water Resources Commission (WRC), EOCD wishes to draw readers' attention to a recent publication issued by the Massachusetts Riverways Program entitled, *Conservation Works: The Ecological Benefits of Conserving water.* Two of the primary functions of the WRC are to: (1) receive and review local water conservation plans (which all communities must file no later than 1993); and (2) approve or deny interbasin transfer requests. A key element in an interbasin transfer is review of whether all practical conservation methods have been implemented. *Conservation Works* was written for citizens. It explains why conservation is needed, successful techniques and management issues. Complimentary copies can be obtained by contacting Russell Cohen at the Riverways Program (617) 727–1614 ext. 360.
- The Local Affairs Committee has continued to receive comments on S.909, a proposal to amend the grandfathering provisions of the State's Zoning Act, Chapter 40A. Presently there are no plans to reconvene the advisory committee, composed of local planners, builders, consultants and state agencies, but rather to synthesize the hundreds of comments received, amend the bill as needed, and submit it to the full committee for action. ■

Gardner Celebrates Downtown Improvements

For the last 45 years, Gardner's downtown merchants have organized a sidewalk sale during the first weekend in August. This year, the event was a special celebration and tribute to the collective efforts of the downtown merchants and the unwavering commitment of the community to invest in itself.

This summer, Square Two (the downtown merchants association), the local Chamber of Commerce, Montachusett Veterans Outreach Center, Heritage State Park and the city joined forces to organize a festival called "Experience Gardner." The "Experience Gardner Summer Festival 1990" was four days of community events, including concerts, street performers, barbeques, sidewalk sales and farmers' markets.

Also included in the festival was a special ceremony to mark the completion of the city's downtown revitalization efforts. Among those in attendance were Governor Michael Dukakis, Gardner Mayor Charles Manca, Representative Chet Suhoski, Commissioner Richard Kendall from the Department of Environmental Management, Deputy Secretary Richard Howe from the Executive Office of Communities and Development, Assistant Commissioner Ellen Di Geronimo from the Department of Public Works, and Regional Superintendent Donald Stoddard from the Department of Environmental Management.

In addressing the downtown festival, Dukakis said he was impressed with the improvements in the downtown area. "I remember Gardner 10, 12, or 15 years ago," he said. "I remember how down people were, I'm proud that we have been able to invest over $7 million in this city." "We have asked citizens to invest in old downtowns, because that is where it all began," he said. "I hope you are as proud of this great old downtown as I am."

Since 1978, the Commonwealth and the city have invested over $8 million in downtown infrastructure, storefronts and local businesses (directly through economic development activities and indirectly through the business association).

Gardner downtown celebration

Using EOCD Massachusetts Small Cities Program funds, the city has been able to complete water and sewer line improvements, replace and reconstruct streets and sidewalks, rehabilitate approximately 178 units of housing, renovate 10 commercial facades, and assist 90 businesses. In addition, a 1984 Main Street Program grant from EOCD enabled the city to hire a downtown manager.

The city of Gardner, its residents and the state have all benefited from the revitalization efforts of the community. In fact, the city has not limited its revitalization to the downtown area, but has invested local, state and federal funds to complete public facilities and infrastructure work and undertake housing rehabilitation to "revitalize" the surrounding neighborhoods.

According to Mayor Manca, "The revitalization of the central business district is of benefit to everyone in the community." And all of these efforts have succeeded in making Gardner's downtown "a good place to do business." ■

Workshop for Selectmen Held in September

Keeping Your Town Afloat, a workshop for both newly elected and "seasoned" selectmen, was held at the Sheraton Tara in Framingham on Saturday, September 22. The workshop was a continuation of an annual event initially funded by the Incentive Aid Program and now sponsored by the Massachusetts Municipal Association with participation from EOCD Municipal Management staff.

Topics covered for new selectmen included "Making Policy: the Role of the Selectman" and "Staying Out of Trouble: the Nuts and Bolts of Policy Making from the Legal Perspective." "The Override Wars: What Have We Learned?" was a session designed for all selectmen. Sessions for experienced selectmen included "Preserving Fiscal Wellness: Controlling Rising Health Costs" and "How To Survive the Budgeting Process." Ann Whittaker of EOCD's Municipal Management staff discussed the effectiveness of "quality management" as it applies to municipal governments and provided information prepared for the upcoming October 27 workshop, "Improving Quality While Decreasing Costs for Massachusetts Cities and Towns." ■

Montague Establishes Violence Prevention Program

Violence can strike at the heart of any community, and it affects people of every race, sex, class and age. Since September, 1987, the Village of Turners Falls in the Franklin County town of Montague has been shocked by the murders of four local women as a result of spousal abuse.

In response to this escalating problem, the Montague Board of Selectmen appointed a task force to help develop recommendations on how the town could better prevent violence in its neighborhoods.

The Montague Task Force on Violence and Relationships sponsored a neighborhood meeting in June of 1989. This community forum gave residents an opportunity to share their feelings about the violence that occurred in their neighborhoods. The meeting also allowed citizens to play a key role in determining what they felt was needed to address this problem and its contributing factors. In addition, Debra McLaughlin, the Franklin County Human Services Coordinator and a member of the task force, approached Donna Cote, Director of Community Development for the Franklin County Regional Housing Authority, for assistance. As a result, a comprehensive strategy was developed to address not only the immediate issue of spousal abuse but other related social service needs which are linked to its cause. This strategy was ultimately included as part of the application for Massachusetts Small Cities Program funds being prepared by the authority on behalf of the town of Montague.

The Brick House in Turners Falls provides social services for residents of all ages. (photo – Greenfield Recorder)

The neighborhood meeting evolved into a group known as the Community Alliance of Turners Falls. Composed of a cross-section of Turners Falls residents, it embarked upon a variety of projects. In July, 1989, the Community Alliance conducted a survey of downtown Turners Falls residents (99 percent of whom are of low-to-moderate income) to determine what social services were needed to address the factors that contribute to domestic violence.

Based upon the results of the survey, area social service agencies were invited to submit proposals in order to develop a comprehensive violence prevention program for downtown Turners Falls residents. The town of Montague, in conjunction with the Community Alliance of Turners Falls, included this "Violence Prevention Program" as part of its successful application to EOCD for Small Cities funding.

185 families helped

EOCD agreed with the town of Montague and the Franklin County Regional Housing Authority in their assessment that the provision of social services provided to low- and moderate-income persons is a vital component of a community's overall revitalization strategy. Through the "Violence Prevention Program," seven related programs were funded by the Small Cities grant — Beacon Programs, Dial Self, Franklin Community Action Corporation (FCAC) Services for At-Risk Youth, FCAC Parenting Support Program, Franklin/Hampshire Employment and Training Consortium, Franklin Mediation Service, and New England Learning Center for Women in Transition. To date, the needs of 185 individuals and families in downtown Turners Falls have been addressed.

Prior to this grant, the vast majority of social service agencies were not easily accessible. Low- and moderate-income residents of the village can now go to the "Brick House," the Turners Falls home of the seven programs which comprise the Violence Prevention Program. There residents can obtain substance abuse counseling, GED preparation, employment and training services, counseling for children and adolescents from dysfunctional families, counseling for battered women and for the spouses who batter, and support for parents. The Brick House coordinator, who oversees the on-site activities, leads monthly staff meetings for service providers, publicizes the activities available at the Brick House and provides community outreach. She meets regularly with members of the Community Alliance of Turners Falls, attends meetings of the Montague Board of Selectmen as needed, and schedules meetings with other community leaders (clergy, police, etc.). Most importantly, the coordinator is developing a fund-raising strategy to ensure the long-term viability of the Brick House and its activities.

In addition to the Brick House services funded by the Small Cities Program, it is also utilized by neighborhood, grassroots organizations such as the Franklin County Men's Education Network (a group of men dedicated to addressing violence against women in Franklin County) and the Montague Parents/Teachers Organization. The possibility of other social service agencies sharing the Brick House is also being explored. For example, the Franklin County Mental Health Center is interested in starting counseling groups for elders, adolescents, families and incest victims. Also, Parents Anonymous has been approached about starting a chapter in Turners Falls.

According to Donna Cote, "The social problems in Turners Falls are deeprooted and complex. However, the Violence Prevention Program is continuing to develop a plan to effectively prevent violence on a long-term basis, an opportunity Turners Falls desperately needs. The Brick House makes it possible for low- to moderate-income

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residents to obtain the assistance they need to make long-term and effective changes in their lives."

EOCD recognizes the important role that public/social services play within the overall community development strategy of local government. The federal Community Development Block Grant Program (CDBG) administered by EOCD for "small cities" is a resource which communities can look to for funding a variety of social service activities. These can include day care, tutoring, drug/alcohol counseling, or services to pregnant teenagers.

The town of Montague has identified a comprehensive approach to effectively utilize CDBG funds to reduce barriers that individuals and households face in obtaining access to opportunities which improve the quality of their lives. ■

Proposition 2½— What's Happening at the Local Level

Proposition 2½ referendum questions have been big news in many Massachusetts communities over the last year. The long-term effects of the tax cutting measure, kept manageable for many years by a strong economy and increases in state aid, are now being especially hard felt by cities and towns.

This article presents a history of local attempts to gain voter approval to exceed Proposition 2½ levy limits over the past few years. The statistical information included was derived from reports issued by the Massachusetts Department of Revenue, Division of Local Services.

Proposition 2½ provides for three types of referendum questions to allow a community to increase its levy limit. The "override" is the only means by which a city or town can permanently do this, and it must indicate a specific dollar amount for costs that the community expects will continue. The other two alternatives, called exclusions, allow for a temporary increase in the levy limit. The "debt exclusion" covers the debt service for specific capital projects and continues only until the debt is retired. The "capital outlay expenditure exclusion" affects the levy limit only for the year in which a specific project or acquisition is undertaken.

FY91 Sees Significant Increase in 2½ Ballot Activity

Until this past year, there had been a fairly slow but consistent growth in the number of communities attempting overrides each year, with a corresponding increase in the percentage of override approvals. During FY89 and FY90 there were 73 and 82 municipalities, respectively, that attempted overrides. To date in FY91, the number of communities has jumped to more than 135. However, only about one-half of these cities and towns have been successful in obtaining voter approval for one or more override ballot questions, compared to a success rate of about 90% for FY89 and FY90.

For the first five years that Proposition 2½ was in effect, there were few attempts made to override the levy limit, with the total of all approved authorizations averaging only $1.6M per year statewide. Approvals increased to slightly above $6M for FY90. Despite the low 50% success rate, the total approved for FY91 to date is in excess of $45M, almost double the amount for either of the previous two years. Although there have been many more attempts, the number of communities passing overrides has stayed about the same; but this year's override requests are much larger than in the past.

The median override in FY88 was $39,807 compared to $386,975 for FY91 to date, a tenfold increase. Below is a chart indicating the amounts of successful overrides over the past four years.

Debt and Capital Exclusion Ballot Questions

Debt and capital exclusion ballot questions have not significantly increased for FY91, but their success rate has shared the same fate as override referenda. An average of 82% of the debt exclusions and 73% of the capital exclusions were approved during the prior three years, versus only about 40% for FY91. Due to existing budget uncertainties, municipalities are continuing to consider overrides, debt and capital exclusions for FY91; therefore, final figures cannot be determined for the current fiscal year at this time. However, the figures for prior years are final; and trends indicated by the figures quoted for FY91 are expected to continue.

Only 33 of 81 towns attempting FY91 debt exclusions were successful, compared to 51 of 59 towns in 1989, a significant decrease. However, the amount of debt excluded has increased by about $20M per year since FY88, from $41.4M to $80.7M for FY90. Debt exclusion approvals have allowed communities to exclude a total of $242M from levy limits through FY90. This is projected to increase by another $100M for FY91 to a total of $342M, compared to a cumulative total of

Amounts of Approved Overrides	No. of Communities Passing Overrides			
	FY88	FY89	FY90	FY91
$2M plus	0	2	1	5
$1M to $1.999M	2	3	3	7
$500,000 to $999,000	1	9	13	12
$300,000 to $499,000	2	6	10	10
$100,000 to $299,000	9	14	27	9
$50,000 to $99,000	4	14	14	7
Less than $50,000	23	17	7	4
Total	41	65	75	54
Median	$39,807	$150,000	$210,000	$386,975

about $238M in increased levy limits for all approved overrides. In fact, debt exclusions are expected to be a greater factor in increasing property tax revenues than overrides through FY91. Since communities can finance debt service on certain projects for up to 30 years, and the actual first year's debt service for each project is dependent upon a number of unknown variables (e.g., financing by either bond issue or bond anticipation notes, date of initial issue, interest rate, and amount of initial funding required for the project), the actual amount of debt exclusions for FY91 cannot presently be determined.

Only ten towns approved capital exclusions for FY91, down from 17 and 18 in FY89 and FY90. Four towns account for $912,000 of the $1.2M approved to date for FY91. The towns, amounts and purposes are as follows: Yarmouth – $336,557 for schools, Hingham – $261,250 for an ambulance and fire pumper, Holliston – $260,000 for a senior center, and Egremont – $54,000 for schools. The other six towns, Berlin, Monterey, New Marlborough, Oak Bluffs, Tisbury and West Tisbury, approved 24 capital exclusions totalling $274,513, an average of $11,438 per project. Since the average population of these six towns is only 1,900, it appears that smaller towns are the ones typically utilizing the capital exclusion provisions of the law. Capital exclusions are by far the least utilized of the three options. They are restricted to one year, not permanent (as are overrides) and not for an extended period (as are debt exclusions).

Springfield Passes Largest Override Since Enactment of 2½

Springfield voters approved five of eight override questions to increase this year's levy limit by $10.8M to save 700 fire, police, school, public works and city hospital jobs. The three measures that failed passage were the smallest and sought funding for the library, for health and safety inspection, and for parks and recreation. This was by far the largest override authorization since the tax-limiting measure went into effect in 1981. The Springfield fire department received an extra $1.92M, with the support of 62 percent of the voters; the police received the same amount with 57 percent of the vote.

Just one year earlier, Springfield voters rejected a single $10 million override question. The city laid off 850 workers, including 290 teachers. (However, 300 workers were recalled to fill vacancies that arose during the year.)

Results Differ in Large vs. Small Communities

Smaller communities have experienced more success in securing override approvals than cities and larger towns. Springfield is only the second city to have approved an override since the inception of Proposition 2½. Northampton was the first, authorizing an override of $650,000 in FY89. Until Springfield's vote, the largest override was $3.5M in the town of Plymouth in FY89. Lawrence, Newton and Westfield, the only other cities attempting overrides thus far in FY91, all failed to gain approval.

Of the ten towns approving overrides in excess of $1M for FY91, six have populations under 20,000: Longmeadow – $2.4M, Yarmouth – $2.1M, Sharon – $1.6M, Greenfield – $1.4M, Scituate – $1.3M, and Hanover – $1.1M. The four other towns are: Arlington – $2.5M, Easton – $2.1M, Belmont – $2.1M, and Milton – $2.0M. These ten towns and the city of Springfield account for two-thirds of the $45M, authorized by 54 communities to date, for FY91.

General Purpose vs. Multiple Question Overrides

Override votes can be used to seek funding for a variety of municipal services. While public safety and school support questions often draw the most attention, there have also been override votes seeking increased financial support for Council on Aging activities, library services, park, recreation and youth programs, and public health and code enforcement functions. The override process allows local officials to identify those services which are important to residents. Using the override or exclusion mechanisms is a local choice; each city or town decides on its own whether to place one or more questions on the ballot, and the amount of funding to be requested in each question. Many towns have used the "multiple question" approach for several years, asking the voters to determine priorities among local services. Communities taking this route in FY90 included Framingham, with six questions, Tisbury – 21 questions, and Harwich – 19 questions. Springfield was the first city to use this approach successfully, although Lawrence and Westfield also used the multiple question approach this year. In contrast, Newton, Needham, and Weymouth proposed only one "general purpose" override for the voters to consider; in these three communities, the override attempt was defeated.

However, general overrides have been more successful than school overrides, and school overrides have been more successful than other special purpose overrides. Nineteen of 40 general overrides, or 48%, have been approved, compared with only nine of 26, or 35%, school overrides. The success rate for other special purpose overrides was only 26%.

As revenue constraints continue at the local level, it is expected that communities will find it necessary to go to the voters for additional funding, using the override and exclusion mechanisms. As this issue is being sent to press, we are aware of an additional thirteen communities that have already scheduled override votes for October and November this year.

For more information, contact Edward Donnelly of EOCD's Municipal Management staff, 727–3253.

Call 1-800-392-6445 for information and technical assistance on Division of Municipal Development Programs.

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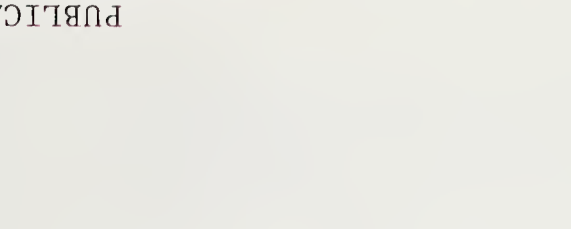

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